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EX-FOREIGN MINISTER ANDERSEN OPPOSES SDP ON 'ZONE'

Copenhagen BERLINGSKE TIDENDE in Danish 23 Jul 81 p 5

[Article by Solveig Rodsgaard]

[Text] The internal Social Democratic problems concerning the credibility of Denmark's foreign and security policies have not been solved even though Prime Minister Anker Jorgensen is presently keeping a low profile on the question of a Danish initiative on a Nordic nuclear-free zone.

Folketing chairman and former Foreign Minister K. B. Andersen who stressed many times during his period as minister that a Nordic nuclear-free zone can only be seen in a broader East-West detente context, told BERLINGSKE TIDENDE that "people should stop using this issue for propaganda purposes, especially propaganda against a Danish security policy to which there is no alternative."

The prime minister's remarks at the Socialist International meeting in Bonn concerning a Nordic nuclear-free zone have created uneasiness both in the Social Democratic Party and in the nonsocialist parties which traditionally back the Social Democrats on foreign and security policies. After the meeting Tuesday of the Foreign Policy Board it is clear that the prime minister has stated that the Social Democrats will maintain their former line. There remains a discussion in the Social Democratic Folketing group where a number of members--as mentioned in BERLINGSKE SONDAG--are nervous about the prime minister's position on foreign and security policies.

Folketing member Jytte Hilden of the Social Democratic left wing recently called in this paper for an open debate with right-wing members on a nuclear-free zone. She feels that many Social Democratic members and voters want to work for a Nordic nuclear-free zone.

Not a Cold Warrior

In view of K. B. Andersen's period as foreign minister BERLINGSKE TIDENDE asked if he would comment on the debate over the nuclear-free zone.

K. B. Andersen: "I have just returned home from a meeting of the Nordic Cultural Fund in Iceland. Therefore I have not been able to follow the debate in the last few days nor was it possible for me to take part in the meeting of the Foreign

Policy Board on Tuesday. But I don't feel I am speaking as a representative of the right wing. On the subject of foreign policy it was not exactly thought the policies I stood for on for example Vietnam, the African liberation movements and Cuba were right-wing policies.

"Nor can I stand as a cold warrior. It was no accident that I used the periods when there were no meetings in Folketing to make short visits to the German Democratic Republic last year and to Bulgaria this year. It is extremely important that we keep the dialogue open.

"With regard to Jytte Hilden's debate article in particular it is difficult to discuss security policy with a member who has said she wants the United States out of NATO. There isn't really any basis for a discussion," said K. B. Andersen.

"With respect to the question of zones free of nuclear weapons I said many times when I was foreign minister that this question could not be viewed as an isolated Nordic issue but only in a broader East-West detente context. That is also what the prime minister has said.

"I still hold to this view. And people should avoid using this question for propaganda purposes, especially propaganda against a Danish security policy to which there is no alternative."

Group Meeting

K. B. Andersen told us he did not yet have the agenda from the Social Democratic group meeting on 11 August. "But I assume we will have an orientation on the defense compromise negotiations. That has been the case at previous group meetings so we'll certainly have another one on 11 August.

"I have not concealed my hope that the broad cooperation on security policy which has been unbroken since 1949 can be preserved in this situation.

"This requires good will, not just from the Social Democrats but from the Liberals and Conservatives as well. It takes two sides for a compromise. The matter is too serious to be used for political banter and extortion.

"If what I have said here is regarded as right-wing politics it is simply the policy the Social Democrats have stood for since 1949 right up to now."

Did he have any comments on the prime minister's statements at the Socialist International meeting?

"No, I have no comments on that."

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CSO: 8113/1884-D

SPD PEACE FORUM DEBATES TNF, SECURITY ISSUES

Bonn VORWAERTS in German 3 Sep 81 pp 7-8

[Documentation: "The SPD Forum; Futurism or Life?--Pros and Cons on NATO Two-Track Decision--Rudolf Bahro Versus Egon Bahr at Bonn 'Peace Forum'"]

[Text] For 8 hours, peace researchers, SPD politicians and representatives of the peace movement debated at the SPD "Peace Forum." Below, VORWAERTS publishes brief excerpts of opposing views voiced.

Jo Leinen (BBU [Federal Association of Ecological Citizen's Initiatives]): I would like very briefly to discuss three or four theses presented by Egon Bahr.

Thesis No 1: The SPD wants to make security policy on the basis of military balance.

I think we must debate this because the peace movement strongly questions and qualifies the term "military balance." In fact we are...conscious of the fact that military balance in the case of multiple overkill somewhere can no longer be a yardstick for further armament procurement programs.... In other words, there is a discrepancy here which in the peace movement possibly reaches the SPD to the effect that the military weight...of existing weapons is judged by us to be so prominent and catastrophic as to make any further armament, particularly nuclear armament, unnecessary.

Egon Bahr's second point is that the SPD wants to attain balance through negotiations.

Now certainly there can be no objections--not in the peace movement either--to talks and negotiations. Only, we raise objections to selling to the public the point that a zero option might also be attainable through negotiations in this counterarming decision....

A third point, which affects us quite particularly, is that only individuals, but not states, may opt out.

I consider this a very strange proposition which crops up time and again, because I keep wondering what is supposed to happen in a state in which the majority of individuals are against further armament. What happens then to the individuals as a whole and to the government? And we do have a neighboring country--Holland--where demonstrably the majority of the people are against medium-range missiles. How come Holland cannot opt out of this NATO decision?...

Lastly, the thesis that there is security only in existing alliances:

We would simply note that there are differences in the interests of the superpowers, both in the East and in the West; and on our side, it so happens, between the United States and Europe. And we should not be afraid of...spelling this out in public, because the statements we have heard made since the new Reagan administration took office just do not allow us to believe that the policy of this SPD government and the policy of the Reagan administration are aimed at common interests in Europe and on a worldwide scale....

Now, I would say that the peace movement shares with the SPD the desire to continue the policy of detente.... We think, however, that in light of overkill somewhere the whole technocratic security debate is no longer convincing and that there has to be an end somewhere to this madness.... We are for genuine negotiations, not just for proclaimed verbal intentions to negotiate.... And we are...for zones of fewer or no atomic weapons from northern Europe to central Europe into the Mediterranean.

Rudolf Bahro (Russell Peace Foundation): ...Egon Bahr posits as dogma the inescapability of bloc logic, the inescapability of bipolarity, whereas I am of the opinion that the deterrence and balance concept as such is not subject to qualification.... Not negotiating and counterarming if need be...but counterarming and then control from a position of strength--that is the only thing that can come out of the NATO decision.

Since, in accordance with the image it has of itself, the SPD perforce will participate in the continuation of the armament race, the SPD is not a party of peace but a party of moderate exterminism.... It is impossible at the same time to be for credible deterrence and to be credible as far as a policy for peace is concerned.... The peace movement...will make renunciation of the missile decision also the number-one criterion of electability....

Willy Brandt and other Social Democrats have voiced their sincere desire to put an end to the armament race, but where is their realpolitik to achieve that aim? They know full well that on a basis of bloc policy it is objectively unattainable....

The question is whether now that it looks as if the Atlantic is becoming a watershed between life for the Americans and death for the Europeans, the SPD can stake its existence on a majority for a completely new security policy developing in this country. Not so on the bases which Egon Bahr has propounded here. It is high time for things to be spelled out, in support of an open break with the CDU/CSU in all basic questions of foreign, security and defense policy. As Europeans we must think of Europe, and as West Germans of this Federal Republic and of Germany on both sides of the bloc boundary separating Europe in our country.

Under the sign of the peace movement the Germans are attaining the right to emancipate themselves from the tutelage of the victorious powers. Together with the other European peoples, for an ABC-weapon-free zone from Poland to Portugal! And if need be...this Federal Republic must be bold enough to go it alone for peace and disarmament. That would be a true final reckoning with the ominous German past.

Karl Kaiser (peace researcher, Institute for Foreign Affairs): Back to the basic question as to whether deterrence can work.... Since the end of the World War we have had something we can call peace in Europe.... One is entitled to ask, however, whether the nonwar, the peace, in Europe is not connected somehow with atomic deterrence and its effectiveness.

And when Guha says here that the risk is 1:5 and that it is Russian roulette, I would like to pose the question as to whether the tasks of this system are not something like Russian roulette--meaning that we cannot either afford the risk of changing the system fundamentally....

It happens to be the irrevocable paradox of this theory of deterrence that it must demonstrate the possibility of conducting a nuclear war in order to deter from it, to prevent it....

My third point, addressed both to Mr Guha and to Mr Bahro.... You demand a new security policy, a new foreign policy. Mr Guha with many arguments has criticized the system of deterrence and its rationality. What do you want to put in its place? Nowhere can the outlines be seen. And my second question: How, in fact, do you propose to effect the transition from the current system to the other? Is the Soviet Union a partner who is prepared really to share in the implementation of this transition to an entirely new system without jeopardy to our security?...

My final point: Concerning the counterarming decision.... I would regard the decision as an attempt to oppose a reasonable alternative to a violation of the basic rules of the nuclear world by the Soviet Union. The way I see it, these basic rules were violated in that we had a certain understanding containing two points--approximate balance and no one-sided advantages--since 1972, since the declaration of principles in Moscow, since Brezhnev's statement here in Bonn, and that this understanding was violated unilaterally through a unilateral armament process in a quite vital sector--the medium-range sector--because the central sector is the subject of an agreement and all signals from the West, particularly from the Federal Republic of Germany, all of them were ignored.

The counterarming decision is an attempt to oppose this, and to do so for the first time with a concept which offers negotiations, with the possibility at the same time, in case these are unsuccessful, of counterarming in order to achieve a balance again. And none of the critics here has been able so far to offer a different concept and to bring the Soviet Union to the table of negotiations....

Alfred Mechtersheimer (peace researcher, Starnberg Max Planck Institute): ...It is certainly true that, the whole time, this state of affairs described as nonwar has been maintained through deterrence. Only, one surely one must ask in addition: What has happened in the meantime...? Surely there would have been conceivable alternatives in the process--reduction of military potentials, equilibrium of military potentials, exacerbation, getting military potentials ready for employment. And I am sure we all agree as to what has happened. In other words, the time has not been used to transfer what will come afterwards in peaceful conditions. Rather it very much looks as if the setups have become more effective militarily and as far as waging war is concerned. I do not mean to say that the old situation is justified any longer. I would only say this: The need for a critical discussion of this policy actually derives from that, particularly if one includes the changes that become apparent militarily and politically.

Now, as to the remarks by Mr Bahr. I would really have expected an increasing allergy to what we call the two-track decision to become apparent. You have differentiated the two elements further, but actually this has only pointed up the contradiction....

First, there is no concept for the armament control policy provided for in the Brussels decision.... You do embarrass many by asking, "What does the aim of your negotiations actually look like?"

As for the second proposition, the United States couples these talks about medium-range missiles with SALT II. Is it really imaginable that there will be settlements which affect the scope of counterarming before SALT II has been renegotiated? I cannot imagine it, if only because of the question of the cruise missiles.

Third, the political prerequisites have deteriorated since the two-track decision, and the United States, at least so far, has done all it can to worsen them further. The decision of Rome too...has not restricted but further extended the proper-demeanor clauses, with the result that in the final analysis it is up to the U.S. Government to decide whether any external Soviet move in the armament or in the nonarmament sector is to be regarded as an obstacle in the way of starting or continuing armament control negotiations.

Fourth, without including the forward-based systems--in other words, particularly the sea-based systems--there can be no adequate starting position for promising negotiations. I therefore think that the two-track decision...is a two-track armament decision.

At bottom I believe that one must also realize that the two-track decision, if one is to call it that, is a historical two-track decision insofar as it confirms, formulates, in one part the kind of armament control attempt characterized by SALT I and II, but at the same time also reflects the new phase in the relationship between the two superpowers--that is, the beginning of a new armament race oriented toward Europe--with the result that, as time passes, it becomes crystal clear where the greater political relevance of this two-track decision lies.

I think this conference today could make a contribution to clarifying matters if it is made clear that there are two positions. One is the following: I think it is necessary and justified to undertake this counterarming. The other is this: I consider this counterarming to be harmful or at least avoidable--which of course, under the aspect of peace, suffices for saying no. Between these two positions there really is no compromise.

Egon Bahr: ...Nothing that has been said here so far can dissuade me from the compelling argument that we can obtain security only together with the potential adversary and not against him. And if it is together, it means between the alliance such as they exist, and not against them, with the respective leading powers and not against them. What Rudolf Bahro has said is a fantastic illusion: surely I cannot create a Europe free of atomic or ABC weapons without the small Soviet Union factor. The Soviet Union simply is not prepared to junk atomic weapons, biological and chemical weapons. Nor can they do so, because the Soviet Union is condemned to maintaining a balance vis-a-vis the United States. The demand for a Europe free of atomic and ABC weapons becomes logically feasible only if it is extended to the two superpowers.

And that then leads to the other point--to Jo Leinen and his statement that in the Netherlands the majority wants to opt out.

They cannot opt out, for when the majority of a state opts out, it does not mean any change whatever in the objectively existing potentials and threats. Any more than when an individual opts out, he can avoid perishing himself as well when the catastrophe occurs....

And then, deriving from that, there is a general objection to what has been conjured up in the way of alternatives--here anyway. It has been stated that the Federal Republic of Germany is strong enough through unilateral opting out, if it chose to, to have stability in Europe destroyed, and peace destroyed. The Federal Republic of Germany is not strong enough to guarantee peace or to rebuild what has been destroyed on its own.

One must guard here against assigning a role to the Federal Republic which it cannot play at all geographically or in line with its strength.

And then let me add a last point. There has been talk here of differences in interests--of the superpowers on the one hand and of the Europeans on the other. This is right, but it really is wrong to make this statement by itself, for there are also common interests between us, the nonnuclear European states and the two superpowers. If this were not the case, there would not be an interest in common security. Social Democratic thinking concerning common security presupposes that both Moscow and Washington are interested in remaining secure together, in not falling into the abyss. So there are interests in common with the superpowers which we must develop, and there are different interests--in waging war and having to win--and that is where things start getting different. Both things exist, you see.... In the next 5 to 10 years I have to assume the existence of the two blocs and the two alliances. And, if we are lucky, the two alliances will conclude treaties objectively leading to security and to a common peace, and then one day the time may come when they are not needed any longer. That only is futurism. To start out talking about futurism is intellectually interesting but politically wrong; it is not politics....

It is impossible to do without the blocs, and it is impossible to do without agreements, and the only way to get to agreements is the two-track decision. Not because of the inconsistency Manfred Lenz has discovered but because I have no other ticket, no other agreement, no other assurances from the Americans as far as negotiations are concerned....

The alternative which you have constructed, Mr Mechttersheimer--the one between "counterarming is necessary and counterarming is avoidable"--does not exist. Those are not the alternatives. I agree with you on many points.... Only, as far as I am concerned, the point is that the two-track decision does not amount to absolute certainty that there will not be a zero solution. I believe for the Soviet Union a zero solution is the only interesting solution, and therefore one must concentrate on the zero solution. You may say--Jo Leinen has said--that this is improbable, but I would ask that it not be said of us that we did not believe in a zero solution or did not seriously want one....

So let me take your point of view now for a moment and say, "Let us assume there will be no zero solution; what then?" There are two possibilities. Either one agrees to a certain level. In that case one supports agreement--that is, an agreement binding for both sides--and even that is better than the other alternative, that of each side being free to arm as well or as poorly as it can....

The final result, as far as I am concerned, is this: All skepticism, all distrust notwithstanding, I see no other way than, through agreement with the criterion of common security, to conclude treaties which for a start call a halt, before they place limits. If someone shows me a different way, I would be glad to walk any kind of a better one. Only, what Bahro has said is not life but futurism.

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ENGINEER INTERVIEWED ON ENERGY DEVELOPMENT IN APULIA

Bari LA GAZZETTA DEL MEZZOGIORNO in Italian 6 Sep 81 p 4

[Interview with Giuseppe Bianchi, director of CNEN's thermal reactor department, on nuclear energy in Apulia, by Tonio Tondo; date and place not given]

[Text] "The energy-development relationship constitutes the primary condition for halting the decline of the productive apparatus and bringing about new opportunities for economic growth. The philosophy of the Apulian energy plan is precisely that of development."

Giuseppe Bianchi, engineer, director of the thermal reactor department of the CNEN [National Nuclear Energy Commission] and head of the industrial promotion program in the sector of the nuclear power plants foreseen by the PNE [Nuclear Energy Plan] (he is also a member of the policy committee of the CNEN-Apulia Region convention), insists on the need for the south in particular to have an adequate energy strategy to emerge from its poor economic situation.

"The creation of energy facilities in Apulia," he says, "either of large dimensions, nuclear and coal-fueled power plants, or small experimental power plants using renewable forms of energy, Delphos photovoltaic plants and energy units which use biomasses, wind and the like, will result in a number of unskilled economic activities."

[Question] The president of the fourth region is repeatedly harping on this point. But does conversation on development and employment not risk being a cover-up to get nuclear and coal-fueled energy accepted by public opinion?

[Answer] Two types of unskilled activity will be developed. One concerns the construction of the facilities. The other relates to the availability of energy, which is essential to create new opportunities for development. An effort, predominantly political, should be made to assure local production groups that they will participate in the construction of the power plants and prepare them for work over and beyond the fortuitous occasion which gave rise to the building or development of the power plant in that area. Over the long range there will be action of this type.

[Question] In which sectors?

[Answer] With regard to the energy-development connection, it should be recalled that there are substantial gains to be made from the availability of energy at controlled prices. These range from an increase in productivity in the agricultural

sector to the creation of industries based on fishing, the production of desalinated water, and the development of so-called "high-energy" industries (aluminum, glass, steel and the like) which, although now criticized by public opinion, nevertheless have a strategic function in the national economy.

[Question] Would you quantify the range of these opportunities for gain?

[Answer] A nuclear power plant with two 1,000-MW units cost about 2 trillion lire to build. It takes 8 to 9 years to build the plant. Of the total cost 55 percent is spent for engineering and the manufacture of components not used on site; the rest is spent for labor and materiel used directly on site. The number of people involved in the construction of the plant is estimated at 2,000 to 3,000.

[Question] The fourth region has spoken of the participation of Apulian industry in the construction of the power plants. Does our region have the necessary technology?

[Answer] We must distinguish the conventional installation from the nuclear island. The first offers great opportunities, and a few firms (Belleli, Termosud and Pignone) are already involved. Objectively speaking, the second is faced with difficulties in that the components of the nuclear island are produced by national industries under American license. But specific agreements are possible with large industries such as Ansaldo, Fiat and ENI [National Hydrocarbons Agency].

[Question] Engineer Bianchi, when a large public construction project closes down upon completion, many people find themselves unemployed.

[Answer] This is a serious problem. About 320 people are required to manage and operate the power plant (in the first 2 or 3 years about 500 are required). I am talking of highly qualified personnel whose training must begin long in advance in appropriate courses organized by ENEL [National Electric Power Agency]. However, the type of personnel required during construction has other characteristics and cannot find employment in the operation of the plant. Nevertheless, continuous employment is in practice guaranteed for a decade.

[Question] And after that?

[Answer] The card to play is that of integrating unskilled labor in industrial activities. I am referring to the production of desalinated water with steam taken from the power plants, the development of sheltered crops warmed with the heat of waste material, and the development of facilities for breeding fish whose propagation rate is increased with the use of heat. In this sector, EFIM [Manufacturing Industry Holding and Financial Company] is already operating in Apulia with the Ugento fishing company. But there are other possibilities also connected with the use of waste cinders from coal-fueled power plants. They serve to produce cement, concrete, bituminous mixtures and other materials.

[Question] You are also adviser to the budget minister on energy problems. What possibilities does the government's program have of getting underway?

[Question] An economic policy directed toward development is not possible without an energy strategy. Everyone is aware of this, unions and parties. For the south, then, and here I speak of the true south (Bianchi is from the Salentine peninsula, editors's note), this is an indisputable priority. Over the medium term the energy problem is still the fundamental card capable of bringing the country out of the crisis.

OFFICIAL DESCRIBES COUNTRY'S ENERGY POLICY

Madrid LUZ Y FUERZA in Spanish Mar-Apr 81 pp 27, 29, 31, 33-35

[Article by Alfonso Alvarez Miranda, president of the Spanish Atomic Forum: "The Energy Policy"]

[Excerpts] There has been a disregard for a factor which is of major importance in the area of energy: time. And that disregard, that forgetfulness, is what could cause us to reach a critical situation when we are ostensibly not yet in a serious situation.

For example, the shortage of energy within a few years might be caused by the lack of remedial measures that should have been adopted earlier, when everything was still available.

And that mistake in considering time cannot be corrected by the accumulation of resources, because energy facilities require a period of maturation in order to be designed, installed and operated. And that period cannot be readily reduced, nor greatly shortened with a superabundance of elements. It is the situation so graphically described in the well-known Vietnamese saying, that "a woman needs 9 months to bear a child normally, and nine women combined will never be capable of bearing a child in 1 month."

Under these circumstances, what is Spain's situation? In other words, what is its energy policy?

The very clear and concrete response is found in the text of the National Energy Plan [PEN] approved by Parliament in July 1979, after an arduous preparation and discussion. We should recall that the importance and urgent nature of this document was given special mention and unanimous recognition by all the political forces in the Moncloa Pact of December 1977.

But 19 months had to elapse before this program was officially acknowledged and sanctioned as the document establishing the guidelines for our energy policy. And the latter, with a praiseworthy, realistic view of the situation both beyond and within our borders, coincide considerably with the directives that the Western democracies have put forth. In other words, energy savings, limiting the use of oil, increasing the use of coal, giving an impetus to nuclear energy and paying heed to the development of renewable energy sources.

Generally speaking, the PEN aims to set oil consumption at a limit as close as possible to 50 percent of the total primary energies, using our own resources to the maximum possible extent, and using nuclear energy only as a supplement to meet our total requirements.

On these bases, two alternatives were proposed for 1987, which differ only in the relative participation of oil and coal.

Expressed in percentage of the total primary energies, which was set for that year at 158.6 million equivalent tons of coal, these two alternatives are:

	Alternatives	
	I	II
Hydraulic energy	8.7	8.7
New energies	1.3	1.3
Coal	29.7	27.5
Oil	51.6	53.0
Natural gas	6.4	6.4
Nuclear energy	13.3	13.3
	100.0	100.0%

Although the PEN had set 1987 as the time limit, the delay in its approval actually shortened the period in which it was in effect by 2 years, and this made it advisable to extend the anticipated period to 1990, so that the program would cover an interval of 10 years. The situation scheduled for that date, expressed in percentage, out of a total consumption anticipated at 182.9 million equivalent tons of coal, is as follows:

	Alternatives	
	I	II
Hydraulic energy	8.1	8.1
New energies	1.4	1.4
Coal	19.6	17.9
Oil	48.4	50.1
Natural gas	6.0	6.0
Nuclear energy	16.5	16.5
	100.0	100.0

With these forecasts, and taking it for granted that, by 1987, Spain will be capable of producing 20.4 million equivalent tons of coal (which will be considerably more when converted to physical tons, in view of the contribution from lignites), 6 million tons of oil and 1.7 million equivalent tons of oil in natural gas, Spain's dependence for energy on foreign nations will be about 57 percent, a compromising figure, but fortunately far removed from the 70 percent which occurred in 1978.

With these assumptions regarding national production, which some describe as optimistic and which, in any event, we do not expect to be exceeded as a whole, the percentage reserved for nuclear energy in 1987 represents an installed power of 11,550 MW, and, by 1990, as much as 15,500 MW.

The actual implementation of this program is lagging but, viewing the horizon of 1990, much of it could be recovered if the administration maintains the determined support for the PEN that it has been showing thus far; and if that support is reflected in action.

An assessment of the potential Spanish nuclear powerplant program is as follows:

Three powerplants (Vandellos I, in Catalonia; Santa Maria de Garona, in Burgos; and Zorita, in Guadalajara) in operation, with 1,100 MW, of which 980 MW are assigned for national supply, because Vandellos I must allocate 25 percent of its production for energy export, in view of the French participation in the operating firm.

Two in 1981: Almaraz I and Lemoniz I.

One in 1982: Asco I.

Three in 1983: Almaraz II, Asco II and Cofrentes.

One in 1984: Lemoniz II.

One in 1985: Trillo I.

One in 1986-87: Valdecaballeros I.

One in 1988: Valdecaballeros II.

In other words, during the interval from 1981 to 1988 10 nuclear reactors with a total power of 9,505 MW will be connected to the Spanish electrical system.

And, as a result, in that year, which will coincide considerably with the end of the PEN, if that program is carried out, the nuclear power could amount to 10,500 MW, that is, 1,000 MW less than the PEN's forecasts.

It appears difficult, but not impossible, for this delay (which is now certain) to be corrected on the basis of a rapid implementation of some of the prior authorizations already procured which are awaiting the administrative decision on the permit for construction. By way of information, and in the likely order of this authorization, these new powerplants are:

Trillo II, with 1,000 MW PWR (authorized subsequently);

Vandellos II, with 969 MW PWR (authorized subsequently);

Sayago, with 1,000 MW PWR;

Vandellos III, with 1,000 MW PWR;

Regodola, with 1,000 MW PWR.

With all these powerplants in service, the total nuclear power installed in Spain will reach the 15,500 MW planned for 1990 in the expansion of the PEN up until that date.

But these powerplants will have to be authorized in the exact time periods, so that their construction may be a reality and not a utopia.

It must not be forgotten that a nuclear plant has a "maturation" period which ranges from the time when the authorization for construction has been obtained until the first kilowatts are produced; and that this period is no less than 7-8 years, under the most favorable circumstances.

And if one considers as the original date that of the request for prior authorization, at least 2 more years must be added to the periods already mentioned; in other words, a total of from 9 to 10 years.

Once again, the time factor shows up with an imperative nature.

It is not so much a matter of making correct decisions as it is of adopting them at the exact time, in the necessary period of time, and never later; because lost time is irretrievable, and because the energy shortage created thereby has no easy nor economical remedy, nor is a remedy even possible at times.

Failing to act in this way is tantamount to making the PEN's nuclear option impossible. And all of this must also be scheduled with sufficient time to allow for a rational use of the (certainly significant) potential of the Spanish capital goods and engineering industry if, as is desirable, there is an intention of keeping the national participation at the high rate of 80 percent where it stands currently, and even improving it.

But without a secure, stable and coordinated programming, this would be utopian. And the administration, the social forces and the companies concerned must, to some extent, create and put into action, in a responsible manner, the procedures required to allow the periods for execution of the powerplants to be implemented with some degree of normality; because the delays, gaged in dozens of weeks, could cause the entire structure of the PEN to become a mere heap of ruins; and that would seriously affect all Spaniards.

The nuclear program approved in the PEN is unquestionably subject to criticism, as is everything that confronts the human being with an option. It is subject to criticism in its qualitative aspect: nuclear yes, nuclear no. It is subject to criticism in its quantitative aspect: it is too much, it is too little.

With respect to the former, we have already expressed and given the grounds for our view favoring the need for nuclear energy with its temporary and supplementary nature.

The issue of the quantity (from the standpoint of safety, which is the one permeating public opinion most deeply) may be examined briefly by way of the comparison relating to comprehensible, objective modules.

Actually, setting a country's nuclear power at a particular date is an exercise in prospecting wherein one must have: the intelligent management of one's own resources, diversification of risks and the economic potential for resorting to external supplies.

There may be many solutions, because it is not easy to find certain, objective criteria for evaluating each of these circumstances.

But there is without doubt a limit on the installed nuclear power; in other words, there is a saturation point for nuclear powerplants, which will depend on the total energy required, the number of inhabitants in the country, its territorial size and its geographical conditions.

If, by way of comparison, we take two European countries not too far removed from us: France and the FRG, and examine their nuclear programs, it turns out that, for the 1987 horizon, in France nuclear energy will constitute over 20 percent of the primary energies, and, in the Federal Republic of Germany, from 13 to 15 percent; a figure influenced by the large size of its coal resources, which would advise a distribution of energies directed more toward solid fuels.

The Spanish figures of 13.3 percent by 1987 (and 16.5 percent by 1990) are clearly lower than the French, and in line with the one established by the FRG.

There are two indexes capable of giving, in general terms, a clearcut idea of what the nuclear concentration might be with respect to individuals or the environment. They are the installed nuclear power per inhabitant, and the installed power per square kilometer of territory.

With the 11,500 nuclear MW scheduled in Spain for 1987, we shall have installed in our country by that date a nuclear power per inhabitant of about 287 watts.

In that same year, 1987, France will attain 785 nuclear watts per inhabitant; in other words, nearly three times more than Spain; and the Federal Republic of Germany will reach 335 watts per person, representing 26 percent more than in the case of Spain.

If, for that same horizon of 1987, we estimate the installed nuclear power per square kilometer, the Spanish figure is 23 kilowatts, the French is 78 kilowatts and the German is 85 kilowatts. In other words, France and the Federal Republic of Germany will have an installed nuclear power per square kilometer by 1987 that will be at least three times that of Spain, if the time periods and stipulations in our National Energy Plan are fulfilled.

Hence, it does not appear that, by way of comparison, without embarking on complicated technical aspects and in a preliminary approximation, the Spanish energy program could be considered exactly "dangerous and unusual nuclearization."

These considerations of a general nature, with which we are merely seeking to give an overall view of the Spanish nuclear option, can by no means exclude the detailed study of each location and its effect on the physical and human environment.

It is a fact that, in the text of the PEN, and probably owing to the nature of the document, such important topics as waste, fuels or research are mentioned only in

a general way, and are not clearly scheduled; but a determined intention of dealing with them seriously has been evinced. Subsequent provisions have lent shape to this determination, and the results thereof are: the promulgation of the law creating the National Security Council, the authorization of the construction of the Juzbado (Salamanca) nuclear fuel plant and the recently forthcoming preliminary authorization for the Second Nuclear Research Center in Soria.

But it will be necessary to see to it that all these projects move from the pages of the BOE [Official State Gazette] into practice in the proper time period; and here again we meet with the time factor, concerning the significance of which we must be more than repetitive, persistent and persevering.

Because if time and money are going to be the two conditioning factors of the National Energy Plan, in other words, of our entire energy future, we must recognize that money is lost and gained; it is, after all, a product which is on the market, and which is bought and sold. But in the world of energy, lost time is never retrieved. It is converted into a delay for which we must pay with the hard currency of restrictions, with all their economic and social consequences. We still have time, really a short time, to focus on the problem of the pace of our Energy Plan with good judgment. But one agrees, with a certain amount of fear, with that remark made by the legendary Baranton, who said: "What makes many economic theories false is that they are based on the hypothesis that man is a sensible being."

Would that, for the good of Spain, Baranton were mistaken on this occasion.

2909

CSO: 3110/3

NATURAL GAS RESERVES IN PYRENEES REVISED UPWARD

Madrid EL PAIS in Spanish 8 Sep 81 p 49

[Text] Last week, the natural gas prospecting in the Huesca Pyrenees produced an injection of morale and optimism. There emerged from the two mouths of the No 17 boring located between Jaca and Sabinanigo a jet of gas which took 30 hours to become extinguished. Although the technicians refused to commit themselves to specific evaluations, the pessimism that has dominated these drillings for nearly a year has been dispelled. Accounts obtained by EL PAIS indicate that, as a conservative estimate, the zone's reserves would exceed 5 or 6 million equivalent tons of oil (a tenth of the annual energy consumption in Spain).

Sources at the Energy Commissariat questioned by this newspaper have confirmed their knowledge of the latest discoveries. However, they added that they did not wish to make joyful proclamations, so as to avoid what happened in early 1978. At that time, after the first flares from the boring at Sabinanigo, which until that time was known as Jaca-I, there was talk of possible recoverable reserves in excess of 20 million equivalent tons of oil.

According to the aforementioned sources, the vicissitudes of the prospecting done since then have recommended precaution. The reason lies chiefly in the fact that, as has always been noted, the structure of the deposit is of porous rock. This precludes any mention of definite pockets, strictly speaking, because there appear to be many ramifications over an area of some 5,000 square kilometers, that is 1,000 meters deep.

Cautious Phase

This being the case, among sources close to the government, who have been informed of the discoveries during the past few days by officials of the Eniepsa-Hispanoil public enterprise, which is in charge of the drilling in the area, it has been stated that we have just embarked on a third phase. They added: "The estimates of reserves during this phase are not so good as at the beginning, or so bad as during the second phase."

In the opinion of these sources, no fewer than eight more drillings will be required to demarcate the structure of the deposit in which Eniepsa-Hispanoil has already invested about 2 billion pesetas. Otherwise, the porosity of the area might give some big surprises. Therefore, various technicians advise another year of drilling for demarcation and configuration of the external part.

Nevertheless, the optimism of those in charge of the drilling has already permeated Aragon circles wherein the news has begun to circulate confidentially. Some of them have told EL PAIS that, according to the private explanations given by the technicians, last week's find confirms the need for the industrialization projects in the area to utilize part of the gas, in addition to the possible creation of a branch that would connect with the Tarragona-Barcelona-Haro-Vitoria-San Sebastian-Bilbao gas pipeline, which extends from Tarragona to Valencia; although there is the plan for it to arrive along this side at Murcia and Cartagena, and from Haro to Madrid and to Palencia-Valladolid. "Be that as it may," they add, "the marketing of the gas from the deposit is now profitable, and it would not appear that there are any great obstacles to its beginning in 1983, as had been planned."

Gas in Spain

According to government sources, if the recoverable reserves in Sabinanigo turn out to be limited to 5 or 6 million equivalent tons of oil, now being bandied about as a low or conservative hypothesis, it may be claimed, along the same moderate line, that the total reserves discovered in Spain at present number over 20 million equivalent tons of oil. This level is similar to that calculated for the oil itself, with the same precautions.

Of the abundant 20 million cited, the largest deposit is located in Bermeo (Vizcaya), where the excellent prospects given by Eniepsa at the end of last year are still maintained, although sources in the Energy Commissariat prefer, at the moment, to reckon the recoverable reserves at 10 million equivalent tons of oil. Ranking next, on virtually the same level, are the deposits in Sabinanigo and Cadiz (in this instance, discovered by the Campsa public enterprise), which may, when combined, have from 10 to 12 million equivalent tons of oil. Finally, the recoverable reserves in San Carlos (Tarragona) are calculated at another million tons.

Spain's exploitation of these reserves which, between natural gas and oil would barely allow for self-sufficiency for 1 year, if they could be extracted in that length of time, will cost approximately half the price being paid for imports.

New Goals

In any case, the recent news from Sabinanigo and the good prospects in the other natural gas deposits will encourage the Spanish administration to increase the plans to meet Spain's energy needs with gas, on the occasion of the first biennial revision of the National Energy Plan [PEN] which will soon be submitted to the Cortes. The PEN, approved 2 years ago, stipulated that, by 1987, gas would meet 7 or 8 percent of the primary energy requirements, in contrast to slightly over 2 percent at present, the vast majority being purchased abroad.

In the opinion of the technicians (see EL PAIS of 21, 22 and 23 May of this year), Spain could attain a 10 percent coverage by 1990. In this way, it could achieve a status comparable to the levels of the European Economic Community, wherein some countries are currently using it to meet up to 17 percent of their total requirements.

2909

CSO: 3110/3

FOUNDATION PUBLISHES STUDY ON ECONOMIC FUTURE

Brussels LE SOIR in French 11 Sep 81 p 2

[Article by Pierre Lefevre: "The King Baudouin Foundation Outlines Our Economic Future: Search for Consensus and Frugality"]

[Text] What will the economic future of Belgium be like? The King Baudouin Foundation looked for an answer to this question. It created a study group of about a dozen people, who reflected and consulted for 2 years and who handed the Foundation a report. It has just published the report.* It will undoubtedly find a place in the current political debate. And it will arouse reactions.

Indeed, even though they take a broad view, like a kind of national "club of Rome," the authors of the document got to the heart of the most acute current topics. Thus, they advocated adjusting our system of wage indexing, and withdrawing from it the increase in price of imported goods and increases in the TVA [Value-added Tax].

It must be said that the text largely tends to neo-liberal ideas and that it shows a clear social-Christian influence. As a matter of fact, three members of the committee drew up minority memoranda, two of which specifically reject the report's option in favor of a social policy of "frugality."

Created in 1976 on the occasion of the 25th anniversary of the monarch's rule, the King Baudouin Foundation has from the onset included studies about future prospects in its program. What it wanted to deliver here to the administrative world and to public opinion in the country, was an instrument for medium and long term reflection. Thus, 12 men -- including company managers, upper level civil servants, university professors and trade unionists -- worked for 2 years under the leadership of Professor Henri Vander Eycken, of the ULB [Free University of Brussels]. They talked with some 40 other Belgian personalities.

The 150 page report they compiled is oriented toward private initiative. It tries to include all the components of tomorrow's Belgian economy -- except for the phenomenon of regionalization, which is completely absent from the report -- and

* The Economic Future of Belgium, a report from the King Baudouin Foundation, 57 rue Montagne-aux-Herbes-Potageres, 1000-Brussels; 155 pages, 150 Belgian francs.

attempts to melt them into a constructive "consensus," a notion which they set against that of compromise.

Freedom of Married Couple

The report states that this consensus depends on three conditions: a clear and objective perception of reality; the disengagement from outmoded ideological frameworks; a will to conquer distrust and prejudices. It is of little importance, the authors said, whether this consensus is confirmed in a second social pact, whether it is explicit or remains implicit, as long as there is agreement on the basics. And the report goes on to try to define what these basics might be.

Thus, for example, it suggests a median solution to the three views of society -- restoration of the family cell, promotion of the professional activity of the mother, or equality of the sexes -- it sees as opposing each other. It asks the question of whether a consensus would not be possible around the idea of freedom of the married couple? "The principle would be that each couple would be free to organize themselves as they choose: it would be up to the couple to determine the distribution of professional activity and of family activity between man and woman; the couple would decide whether both spouses will work outside the home or only one of them; if it is both of them, the couple will choose for each of them between a full time or a part time activity; if it is only one of them, the couple will decide which one." The report admits that this is a formula which will undoubtedly not receive the full support of feminist movements.

As for the main economic dilemma, that is to say the choice between a restrictive policy or on the contrary an expansionist one, the report suggests an escape through an increase of our exports. Hence, its analysis in favor of a real policy of frugality. Proceeding from the observation that Belgium is already living beyond its income, it proposes a double braking action. In public expenditures, whose growth must be brought back to below the growth level of the gross national product [GNP]. In private consumption by keeping the wage increases also below the growth level of the GNP and by adjusting the system of indexing.

The influence of ideas, which matured in social-Christian circles, is felt specifically in the proposed solutions to reduce unemployment, and in particular in the concern again to promote working at home and to encourage part-time work.

Disagreements

Among the reservations voiced by a few members of the commission, one will recall those expressed by the representative of the Andre Renard Foundation who claimed to be "in disagreement on major points of the diagnosis and of the measures suggested by the report," and who cited among his principal objections: the analysis of the imbalances and the policy of frugality; the absence of a regional dimension; the consensus theory. An expert from the Planning Office, on the other hand, stressed the risk of a reduction in the growth of consumption.

Having said this, even though the report published by the King Baudouin Foundation tilts in one direction rather than in another, it contains and articulates numerous topical ideas. Based on often appealing reasoning, it could nourish a thorough thinking through of our economic future.

EMPLOYMENT MINISTER PLANS TO CREATE 40,000 JOBS

Brussels LE SOIR in French 11 Sep 81 p 2

[Article by Vdd.: "Roger De Wulf Promises 40,000 New Jobs Immediately"]

[Text] Because the economic crisis will only persist and will, at the same time, increase a little more the problem of unemployment; and because economically speaking it is better to support a new job financially than to pay with no return an unemployed individual, the Minister of Labor and Employment Roger De Wulf has prepared a "transition plan to benefit employment." A plan which should -- theoretically and for some 5.5 billion francs -- create about 40,000 new jobs next year.

As a matter of fact, a recent study by the Planning Office calculated that between now and 1985, the country will have to create more than 200,000 new jobs. And this "simply" to hold unemployment at its pre-1980 level. Because demographic development alone will pour about 140,000 new job seekers on the labor market, because the demand for labor will be reduced by more than 80,000 units during the same period of time, and because there are more and more women in the labor network.

Considering, on the other hand, that an unemployed individual "costs" the state 488,000 francs a year in "lost funds" to be paid out to him as unemployment benefits, while using the same sums of money to create jobs would be a more useful and even profitable operation for the state, the minister of labor and employment has decided to anticipate next year's budgetary proposals and already to translate his projects into royal decrees.

All of this for about 5.537 billion francs and with an absolute priority for women (57 percent of the unemployed), for unskilled individuals (56 percent), the youth below the age of 30 years (51 percent) and the long time unemployed (35 percent).

In fact, this umpteenth De Wulf plan ensures primarily -- budgetarily speaking -- a linkage between all the currently applicable measures supporting employment, and the new more global arrangements which should be implemented during the upcoming years or months. This new plan, called a "transition plan," is primarily aimed at adapting or improving existing measures. Specifically with regard to young trainees in enterprises, the special temporary cadres (long or short term), adaptation or readaptation bonuses, and the expansion of the special temporary cadres to private enterprises.

DRAFT LAW REPORTEDLY RESTRICTS STRIKES, LOCKOUTS

Istanbul HURRIYET in Turkish 25 Aug 81 pp 1, 17

[Text] Ankara (HURRIYET)--The Labor Ministry drafted the bills, called the 12 September administration's "giant law package," amending Unions Law No 274, Collective Labor Agreement, Strike and Lockout Law No 275 and Labor Law No 1475, the regulators of labor life. Prepared along the lines of general principles from the National Security Council [NSC] Specialized Committees, the three basic labor law drafts are being opened by the Labor Ministry to debate by labor and management next week.

The Labor Ministry will hear opinions on the three basic labor law drafts, starting with the Turkish Confederation of Labor and including the Turkish Confederation of Employer Unions and Independent Labor and Employer Organizations and experts. The drafts will then be put in final form.

Basic Features

The Labor Ministry's draft amending Unions Law No 274 makes changes in the articles dealing with expulsion from membership, conditions for forming unions, federations and confederations, constituencies, administration, prohibited activities, dues and union oversight. According to this law, the arms of labor directive issued earlier is rescinded and the number of arms of labor is reduced.

It is made possible for the State Oversight Council subordinate to the Head of State to exercise effective oversight of the unions.

Arms of Labor Reduced

The number of arms of labor is reduced from 32 to 18 or 20 according to the new arms of labor directive drafted on the basis of the new draft of Unions Law No 274. The arms of labor according to the new directive are:

1. Agriculture, Forestry, Wildlife, Fisheries
2. Mining
3. Oil, Chemical Industry
4. Food Industry, Sugar Industry
5. Textile Industry
6. Hides Industry

7. Wood, Paper Industry
8. Rubber Industry
9. Cement, Soil Industry
10. Glass Industry
11. Construction Industry
12. Energy Industry
13. Business, Office, Education, Banking, Insurance
14. Transport (Ground, Sea, Air, Warehousing, Bonded Warehousing)
15. Health
16. Hotel, Entertainment [Industry]
17. National Defense
18. Journalism, Communications, Publication, Fine Arts
19. Ship Industry
20. General Affairs

It will be possible to reduce the number of arms of labor to 18 by combining Rubber Industry, number 8, with Oil, Chemical Industry and combining Ship Industry, number 19, with the Transport Sector, number 14. If labor and management want 22 arms of labor, the Labor Ministry will take Fine Arts and Banking, Insurance out of their groups in the list of 20 arms of labor.

Foundership More Difficult

According to the draft amending Unions Law No 274, amendment of article 6 makes expulsion from membership easier and amendment of article 11 makes the conditions for founding the administering unions stricter. The present condition for founding a labor union is to be actively engaged in the arm of labor in which the union will be established, which condition is changed to be at least 5 years of active engagement. A provision is introduced preventing the administrators of closed unions from engaging in active unionism for 5 years.

Amendment of articles 15 and 16 revises the ban on conducting business and prohibited political activities. Unions are strictly forbidden to engage in political activities or have contact with political organizations, and unions found to have encouraged or led workers in illegal resistance or strikes or to have engaged in activities for this purpose will be closed.

Amendment of article 23 of the Unions Law restores the Check-Off system. Unions authorized to collect dues will represent half the workers, not one-fourth.

Oversight

Amendment of article 29 of the Unions Law makes union oversight organs as responsible for activities as the union executive boards. They will be answerable to the State Oversight Council in all matters.

Penalties set forth in article 31 of Unions Law No 274 are made stricter.

Collective Labor Agreement, Strike, Lockout Law

Amendment of Collective Labor Agreement, Strike and Lockout Law No 275 was also drafted by the Labor Ministry. Substantial changes were made in this 65-article law.

Important features of the draft amending Law No 275 start with article 5. The amended article 5 details the conditions under which the nullification clause does not apply to collective labor agreements. The same contingencies will apply in excluding from negotiations unions or federations whose activities have been prohibited, even if they resume activities within 1 year.

Article 7 of Law No 275 is revised. This article regulates such important matters as authority to conduct collective negotiations and to conclude collective labor agreements and collective negotiation procedures. According to the existing law, the labor federation representing the majority of workers employed in an arm of labor or the labor union founded according to the arm of labor principle is authorized to conclude the collective labor agreement covering the workplaces in that arm of labor, whereas provision is envisaged for collective labor agreements at the national level instead of the arm-of-labor level. The principle is adopted authorizing the labor organization representing the most members to conduct collective bargaining at the national level. Plans are in progress to enable arm-of-labor contracts under specific conditions.

Article 9 of Law No 275 is revised to change the notice of collective negotiations from the arm of labor level to the national level. Collective negotiation in article 10, disagreement on notification authority in article 11 and the procedure for designating authority to conclude collective labor agreements in article 12 are all revised under article 7 and its paragraphs.

Supreme Arbitration Council

According to the revision of article 9 of Collective Labor Agreement, Strike and Lockout Law No 275, until such time as labor-management disagreements can be resolved democratically, they are under the jurisdiction of the Supreme Arbitration Council [SAC], which is now active and has broad powers. Disagreements at the national level come to the SAC. If the sides do not accept the decision of the SAC, it brings strike and lockout concerns to the agenda. Changes in articles 17 and 18 revise strike and lockout definitions. Strike and lockout powers are tightened.

Strike and lockout bans set forth in article 20 of Law No 275 are broadened. Types of labor which may not strike are broadened. Governors are added to the provision in article 20/13 enabling the martial law commands in areas under martial law to suspend temporarily or indefinitely strike and lockout powers.

Strike voting in article 22 of Law No 275, unlawful consequences of strikes and lockouts in article 29 and the powers and activities of the SAC in article 36 are all revised. Penalties, which begin with article 52, are made stricter.

Labor Law No 1475

Reports and drafts concerning amendment of Labor Law No 1475 have been prepared for debate by the Labor Ministry. Substantial changes were made in the service pact section beginning with article 9 of Labor Law No 1475. Severance pay regulations are worked out in detail. Proposals and the bill relating to the establishment of the severance pay fund have been drafted. The wages section of the Labor Law is drafted in detail, with alternatives covering various contingencies. Arrangements are made to parallel decisions in principle by the SAC. New principles for the oversight and inspection of labor life are introduced. Restrictive provisions are listed in detail in the penalties section.

TRADE PROTOCOLS WITH IRAQ, IRAN, KUWAIT EYED

Paris AN-NAHAR ARAB REPORT & MEMO in English 21 Sep 81 pp 7-9

[Text]

Recent visits by Kuwaiti and Iraqi officials to Turkey. Turkish export estimates for 1981 revised upwards by more than 25 per cent to \$4.5 billion and a growing number of Turkish projects in the Arab world suggest that Turkey's economic recovery is more than healthy. It could be described as a veritable boom, and though it means economic hardship for Turkish citizens squeezed by the authorities' monetarist and austerity measures, it will also lead to an unprecedented 4 per cent growth in GNP this year, as well as a reduction of inflation to less than 40 per cent, figures unheard of in that Middle Eastern European country for some years now.

As a European country, Turkey has suffered from some of the ills and the *malaises* of post-industrial readjustment: high unemployment, falling productivity, inflation, a heavy oil import bill and the perceived need to curb public sector spending, not to mention terrorism and widespread disaffection among the young. But as a Middle Eastern country, whose religion it shares with all the states around it – barring Israel and Lebanon – Turkey also presents some unique features compared to its European neighbours: the relatively low cost of labour, generally lower expectations of economic reward among the population, an as yet not fully developed agriculture and industry cheap enough to compete with the best Western firms for contracts in the Arab world. In addition, proximity to the Arab countries and a strategic position between the Middle East and Western Europe as well as a long coastline, all favour the expansion of Turkey as an important economic force for the Arab world.

This has been underlined of late with the phenomenal expansion of trade links with what are traditionally Turkey's largest partners among Arab states: Iraq, Libya, Kuwait and to a lesser extent Saudi Arabia and the rest of the Gulf States (See AN-NAHAR ARAB REPORT & MEMO, July 13).

During a visit by Iraqi Deputy Prime Minister Taha Yassin Ramadan last month, Turkey and Iraq signed a trade and economic cooperation agreement to expand commercial relations between the two countries. According to recent estimates, Turkish exports to Iraq topped the \$200 million mark in the first five months of this year, an increase of more than three-fold over the comparative period of last year, when the figure was about \$54 million.

This will help ease Turkey's balance of trade deficit with Iraq, which as its main oil supplier, sold Turkey more than \$850 million worth of goods last year, mostly 8.5 million tonnes of crude. During the talks held in August, Turkish officials were reported to have obtained agreement from their Iraqi counterparts for an increase of oil supplies this year and also a raise in the transit fee Iraq pays Turkey for the passage of its oil from the Kirkuk field to the Mediterranean terminal of Yumurtalik. Unconfirmed reports quoted the price Turkey was requesting as \$1 per barrel, compared to the \$0.38 per bbl charged in the last few years.

A major reason for the spectacular growth of Turkish exports to Iraq this year has been the Iraq-Iran war, which has made Iraqi ports all but inaccessible. It is hoped, nevertheless, that even with the end of the war and a resumption of normal trade routes for Iraq, the boom enjoyed by Turkey will not collapse totally. Thus, under the terms of the economic agreement signed last month, the two countries have pledged to undertake a number of joint projects, notably in the fields of transport and natural resources. One such project is a Turkish plan to build a massive dam on the Euphrates to irrigate a vast area of Eastern Turkey and provide hydro-electricity. Although the project is looked upon hesitantly by Iraq, which relies so heavily on the Euphrates for its own irrigation needs, it is thought that cooperation on the issue will be mutually beneficial to the two countries so long as no surprises are sprung by either side.

Trade With Both Iran and Iraq

Other than the increase in trans-shipment to Iraq through Turkey because of the Gulf war, the conflict between Iran and Iraq has also benefited direct sales of Turkish goods to both the warring countries. An increasing amount of Turkish products, including alcohol which is banned in Iran, is daily crossing the border, often illicitly, thus reversing the old tradition of smuggling from Iraq and Syria into Turkey, during the years of fierce Turkish economic protectionism.

Trade with Libya is also expanding at an unprecedented rate, prompting the likeness to an inflated balloon by one commentator on Libya. According to Turgut Ozal, who has been Turkey's chief economic architect for the last two years, "friendship between Turkey and Libya cannot be measured in terms of money alone." Be that as it may, the figures bear witness to this recently blooming relationship. Turkish officials estimate that exports to Libya will approach the \$550 million mark this year, more than eight times as much as in 1980, when the figure was \$60 million; the forecast for 1982 is for a record \$1 billion.

As Turkey's third most important supplier, Libya, sells some 3 million tonnes a year of oil to its partner across the Mediterranean, at a price of some \$650 million in 1980. But Turkey has found more than just compensation for this oil import bill in Libya's growing market for consumer and food products, not usually favoured by the oil-rich states of the Gulf. Libya has more modest standards and tastes for its foods and consumer items than Saudi Arabia for example, and in addition is handing out huge contracts to Turkish construction firms.

According to Ali Kocman, the President of the Turkish Industrialists and Businessmen's Association (TUSAD), more than \$5 billion worth of business is now being done by Turkish firms in Libya. The Istanbul-based Sezai Turkes-Feyzi Akkaya construction company is at present running about \$500 million of projects and was chosen among international competitors to build Tripoli's civilian and military harbour several years ago. More than 40 Turkish firms are now engaged in work in Libya with an estimated 70,000 workers sending home valuable remittances and easing Turkey's own unemployment problem.

A number of Turkish firms are involved in Libya's military construction programme, including Sezai Turkes, which is building another port partly for military use, and the Beta company, which is contracted to build military bases and train civilians in the North and near the border with Chad in the South.

This summer, the two countries agreed to establish a joint investment company to promote trade and cooperation, with an initial capital of \$100 million. Also, a Libyan bank is the lead-manager in an Arab consortium which lent Turkey \$100 million in export pre-financing last month, the first such loan ever by Arab countries to Turkey (*An-Nahar Arab Report & MEMO*, August 24).

Although they did not sign a formal agreement, Turkey and Kuwait agreed at the beginning of this month to expand their economic and trade cooperation. During a visit by the Emir of Kuwait, Sheikh Jaber al-Ahmad al-Sabah to Ankara, Turkish head of state Gen Kenan Evren, told journalists that Turkey wanted to extend its relations with all Arab countries, including Kuwait, as part of its basic foreign policy. This underlines an almost imperceptible but significant change in Turkish orientations in recent years, when a number of Arab states, including Saudi Arabia and Kuwait, have replaced Israel as Turkey's fourth most important trade partner in the Middle East. At the end of Sheikh Jaber's visit, the joint communique published in Ankara condemned Israeli attacks on Lebanon in July, called for a return to Israel's pre-1967 borders and endorsed the Palestinian Liberation Organisation (PLO) as the sole legitimate representative of the Palestinians.

As a result of the visit, Turkey and Kuwait agreed on a number of joint ventures in trade, tourism, communications, transport and petrochemicals. Among the most important projects are one for a \$2.4 billion Istanbul-Aden highway running through Kuwait, and an Edirene-Aden railway. Also on the board, are the construction of an ammonia plant on the Marmara coast in Turkey, and a tourist resort on Turkey's southern coast to be financed with Kuwaiti funds. A delegation of Kuwaiti bankers is due in Turkey before the end of this month to discuss a large-scale loan to finance these projects.

Turkish Foreign Ministry officials hailed the Kuwaiti visit as historic, stressing that increased economic and

trade ties with Kuwait would probably spearhead entry of Turkish business into the markets of other Gulf states. Two-way trade between the two countries totalled \$155 million, most of it, some \$120 million, in favour of Kuwait.

However, if the last two years are anything to go by, and in the context of the Turkish authorities' 180 degree turn away from protectionism, Turkey's trade with the rest of the Middle East is set to grow, and grow fast. Industry has been looking abroad increasingly as measures to tighten up the monetary supply, ban strikes, increase imports of raw materials and implement new export incentives have all had a positive effect on the country's export potential. Moreover, as of 1979, the patterns in Turkish trade began to change with an ever-growing share going to the Arab countries. From 13 per cent in 1979, Middle Eastern markets accounted for over 16 per cent of Turkish exports last year, and represented 33 per cent of total exports in the first four months of 1981.

Although Turkish industry is still reputed to be low on quality control and efficient promotion and marketing, businessmen are becoming increasingly sophisticated. And they have to be, if they hope to reach rich Middle Eastern markets spoilt by sophisticated Western promotion techniques and usually impressive quality. That awareness seems to be growing as bear witness swelling numbers of advertisements for Turkish firms, banks and other businesses which all stress the importance of their services "especially in the Middle East" and to get "to the heart of the oil-producing world."

CSO: 4654/10

KARAKAYA RAILWAY BRIDGE TO BE BUILT

Istanbul MILLI GAZETE in Turkish 19 Sep 81 p 5

[Text] An agreement to construct a 2,400 meter railway bridge by way of the Karakaya Dam lake was signed in an Ankara ceremony the day before yesterday.

Minister of Public Works Tahsin Onalp, who delivered a speech at the ceremony, stated that the project, which has few equals in the world--and none in Turkey--with respect to length and height, will cost close to 9 billion lira.

Onalp further said that a 9-kilometer section of the railway between Malatya's Dilek and Yazihan stations and a 21-kilometer section between Elazig's Eskimalatya and Bekirhuseyin stations will be situated in the lake area because of the Karakaya Dam being built across the Euphrates River.

Minister of Public Works Onalp, in response to questions after his address on the bridge, added: "Because of the artificial lake created by the Karakaya Dam, which will alter the Lower Euphrates basin and, being hydroelectric, will constitute the foundation for our economic development, it has become necessary to change or reconsider the placement of area roads and bridges mindful of the new lake.

"The bridge, which will be one of the world's few railway bridges, is to have 33 spans. Their average height will be 50 meters and the (length) 76 meters. Each platform constituting the bridge's superstructure will weigh nearly 300 tons. Their manufacture at a cost of 3,382,675 lira has been awarded to the Directorate General for Turkish Iron and Steel Manufacture."

CSO: 4654/13

SOCIALIST CONGRESS ACCEPTS PEACE COMPROMISE, ARGUES 'ZONE'

Peace Sought With LO

Copenhagen BERLINGSKE TIDENDE in Danish 5 Sep 81 p 7

[Article by Lisbeth Knudsen]

[Text] A new emphasis on cooperation between the Social Democratic Party and the labor organizations in a common initiative to improve the employment situation was the main theme of the party's annual meeting, which began this afternoon in Aalborg. What many of the delegates have come to discuss is not only employment, but also the defense compromise with the conservative parties, involving a 369 million kroner budget, which some think will be hardly sufficient to cover the proposed zero option for defense spending. Something which will not be discussed officially at the meeting, but will be discussed actively among the delegates, is the problematic situation within the party resulting from the establishment of the two vice-chairmanships at the meeting last year.

In the numerous meetings and congresses of recent years, during Anker Jorgensen's term as prime minister, it has almost become a tradition that the party chairman's speech, opening up the political discussion, is always followed by a speech by the LO [Federation of Trade Unions] chairman Thomas Nielsen harshly criticizing government policy and the government's inability to push a staunchly Social Democratic policy through in the Folketing. In that respect, today's meeting can be said to be an exception. An autumn truce has been declared between the leaders of the party and the labor organizations, while an internal committee with representatives from the two groups will be searching for common initiatives for the solution of employment problems. Only as regards the question of the 2 billion kroner tax raise is there presently any disagreement between the party and the labor organizations.

It is expected that a marked dissatisfaction will be apparent both inside and outside the meeting hall as a result of the defense compromise which has been supported by the government and the Social Democratic MP's. Outside of the building, the Danish Union of Students is planning to release 100 doves of peace, as well as lighting the torch of peace in front of the doors, in order to demonstrate the youth organization's protest against the defense compromise. Inside the building, a series of speakers from districts all over the country--among them, presumably, various members of the main steering committee--will be directing harsh criticism at the prime minister for not having observed the mood of last year's congress, which was overwhelmingly in favor of the zero

option in the defense arena. As recently as yesterday, the well-known critics of the defense compromise had not determined a special strategy for the annual meeting, but if the debate turns out to be sufficiently antagonistic towards the party leadership, an initiative will probably be presented in connection with the annual meeting resolution, which is to be presented on Sunday.

The party's organizational vice-chairman, Inge Fischer Moller, is not entitled to participate in the annual meeting, but a debate can be expected as to how well the new arrangement with two vice-chairmen--a political one and an organizational one--has worked out. Finally, the annual meeting will take a position concerning the foreign policy section of the party's new working program. Last year's congress never got around to this question, and for this reason it has been scheduled for Saturday afternoon this time. There will be voting on such questions as a nuclear-free zone in Scandinavia, policies towards eastern bloc countries and policies towards the Common Market and NATO. Particular attention will be given to a proposal from the Middelfart group suggesting that the party work against nuclear weapons ever being brought onto Danish soil. The party's leadership will pass the proposal, with the addition of the phrase "in peacetime."

LO Chief Sees Government Collapse

Copenhagen BERLINGSKE TIDENDE in Danish 7 Sep 81 p 1

[Article by Kermit Norlund]

[Text] The Labor Organizations leader Thomas Nielsen thinks that the time has come for the Social Democratic Party to carry through a concentrated multi-year program developed in cooperation with the labor movement. It will be a purely Social Democratic plan, even if this means making a break with the compromise parties, the Christian People's Party, the Radicals and the Center Democrats.

"Our most important task is to formulate a program of action, together with the Social Democratic Party, concerning employment and the economy. We need manpower and solidarity from the Social Democrats, too. I think the situation has reached the point where we have to ask ourselves whether the little so-called compromise parties--I tend to call them cowards' parties--are ready to take the responsibility to carry through a radical effort of this kind," said the Labor Organizations' chairman at the HK [Union of Retail Business and Office Clerical Workers] conference yesterday.

Thomas Nielsen remarked to BERLINGSKE TIDENDE in an interview that the compromise parties have shown time and time again that they are not at all prepared to take upon themselves the responsibility for such a radical action.

"I don't trust the compromise parties, but I do urge them strongly to support the long-term programs of the labor movement. If they do not want to do that, it might turn out that the Social Democrats will be presenting their proposals by themselves in the Folketing," said Thomas Nielsen.

Defense Compromise Program Accepted

Copenhagen BERLINGSKE TIDENDE in Danish 7 Sep 81 p 5

[Text] The last day of the Social Democratic annual meeting was a confirmation of the fact that the party's leadership, despite heavy criticism, has gained the support of the members of the party for the recent defense compromise.

Simultaneously, the party voted yesterday for the conducting of investigations and discussions within the party concerning the structure and content of the defense program.

Prime Minister Anker Jorgensen said in a press conference after the meeting was over that this would also involve negotiation with the parties which were involved in the defense compromise. "The Defense Committee, appointed by the compromise parties, will continue to discuss the defense program, and the expression 'total defense' will also be a part of the discussion. We will also talk on a purely party level about what we mean, exactly, when we use the expressions 'defense structure,' 'total defense,' etc," Anker Jorgensen said.

The remaining proposals of the party leadership relative to the security policy section of the annual meeting's declaration were all accepted.

The annual meeting declaration says that the Social Democratic party does not desire substantial changes in the current stockpiling and reinforcement policy. Prime Minister Anker Jorgensen stressed to the delegates that this wording does not mean that there cannot be alterations in the current stockpiling and reinforcement agreements. At the same time, the annual meeting rejected a proposal that the Social Democrats should oppose further equipping of NATO defense stockpile areas in Denmark.

In his reply to the delegates who criticized the defense compromise, the Prime Minister said that what affected him most was the doubt which had been cast on the party's trustworthiness. He pointed out that the meeting last year showed that a defense compromise can be based on a zero solution.

The meeting did not use the phrase "shall be." "I stress that especially, because it would be very embarrassing if the public started to think we had tricked you," Anker Jorgensen said. The prime minister took advantage of the opportunity to criticize some of the statements which the defense program's military leadership had made previous to the compromise. "It is true that some of the defense leaders took on a hysterical tone in the discussions," the prime minister said, referring to a statement saying that the government's defense organization would reduce the strength of the defense program by 40 percent. "If we are to take the defense leadership at all seriously, then a more reasonable, balanced attitude on their part would be desirable," he said.

'Zone' Debated Without Agreement

Copenhagen BERLINGSKE TIDENDE in Danish 7 Sep 81 p 5

[Text] In the discussions yesterday concerning the platform of the Social Democrats on the stockpiling of nuclear weapons in Denmark, the significant word "not" was stricken from the record. The Social Democrats had adopted a proposal that the party will work towards seeing that nuclear weapons will not be brought into Denmark. An additional phrase, "in peacetime," was added at the recommendation of the steering committee and the prime minister. The prime minister said that the new wording, using the word "not," went against party policy. The "not" was then omitted.

Simultaneously, the article on this subject yesterday was given the incorrect headline, "Anker J. Voted Down at Annual Meeting." What really happened was that the prime minister warned the delegates that the new wording would have been subject to future misinterpretations. But after further comprehensive remarks, the prime minister supported the new wording of the party's nuclear deployment policy.

Prime Minister Defends Economy Moves

Copenhagen BERLINGSKE TIDENDE in Danish 7 Sep 81 p 5

[Text] "I understand the critical comments people are making, saying that the Social Democratic profile is in danger of becoming too vague, but we do what we can to emphasize what policies we do have, and we also emphasize that 80 to 90 percent of what we put through is purely Social Democratic policy." These were Prime Minister Anker Jorgensen's replies to a cautionary speech by the Labor Organizations' vice-chairman Knud Christensen at the Social Democratic annual meeting. The prime minister also rejected the proposal to write off any cooperation with the smaller compromise parties.

"We have a democracy in Denmark. I didn't vote for Erhard Jacobsen or Christian Christensen, and you who are sitting in this hall didn't either, but there they are anyway," said Anker Jorgensen. He emphasized that the Social Democrats' own adherents alone were not enough to achieve cooperation in the Folketing, and that such a cooperation was necessary.

On the other hand, Anker Jorgensen said that after 2 days of the annual meeting, he was completely satisfied with the proceedings. "The meeting turned out to be such that all the advance headlines in the press ended up having been exaggerated," he said in his closing remarks.

A large number of speakers at the annual meeting were concerned with employment problems, but many were also concerned with the controversial defense compromise. The opposition among the participants in the annual meeting, on the other hand, was not as great as had been expected, considering the reactions just after the compromise was adopted.

"The national meeting lived up to my expectations. I told my colleagues in the party leadership ahead of time that there would be 20 to 25 speakers against the defense compromise," said Anker Jorgensen after the meeting.

The annual meeting issued a very long and comprehensive declaration, which is intended to serve as a kind of working program for the party for the coming year. The declaration maintains that Denmark will pull itself out of its difficulties. • The declaration points out what the party has already done for the employment situation. In the future, work will be directed towards developing a job-creating system, and in connection with this, the declaration says that there will be possibilities for public participation in areas of particular socio-economic significance. The declaration presents a series of proposals to promote industry and to improve agriculture and construction. In a special tax section, it maintains that the Social Democrats will work towards the taxation of foundations and other tax-exempt institutions, that a business tax will be imposed, and that there will be a discontinuation of joint taxation in 1983.

Natural Gas Project Backed

Copenhagen BERLINGSKE TIDENDE in Danish 7 Sep 81 p 5

[Text] The Social Democrats will be increasing their efforts to gather support for the expansion of the natural gas program so that it will also serve middle and north Jutland, according to the declaration made at the party's annual meeting which was held yesterday. As a justification of the expansion of the gas system, it was said that the occupational and technical knowledge which were brought about by the program in the first place will be able to proceed even further with the expansion.

On the other hand, the party's annual declaration, which is used as the party's working agenda for the coming year, does not mention the issue of nuclear power. The reason for this, according to party vice-chairman Knud Heinsen, is that it will not be relevant to take a position regarding nuclear power in the coming year.

At the recommendation of Minister of Energy Poul Nielson, the party rejected at the meeting a proposal from the main steering committee that, in consideration of the parts of the country which do not receive natural gas directly, an equalization be made in the considerable differences in electricity and heating prices.

Poul Nielson based his recommendation on the fact that a heating prices committee has recently been appointed, which will be given time to research the situation, before an evaluation can be made of how the price equalization might be accomplished.

Poul Nielson complained that the Industry Council has repeatedly rejected the government's suggestion to invest capital in ventures which are involved with developing new technology in the energy field. He called the Industry Council's position "stomach-curdling," and said that "there is a need for the government itself to invest risk capital in line with the willingness of business for ventures of this kind."

Can Social Democrats Hold Out

Copenhagen BERLINGSKE TIDENDE in Danish 8 Sep 81 p 8

[Editorial]

[Text] Of course the Social Democrats joined hands and sang together at the end of their annual meeting. Once more they sang themselves into unanimity and left the meeting hall in the belief that the party is strong and united in favor of the policy which they will follow. But how long will that belief remain tenable? Probably it will not last past the point of coming home and settling back into the everyday world.

It is a fact that there are deep-seated differences of opinion on the defense question, and that the opponents of the defense compromise do not want to put up with this any longer. It is a fact that there is enormous insecurity relative to the party's economic policy, and that the prime minister must have challenged others besides Steffen Moller to show their disagreement, using national bankruptcy as a basis for their arguments. It is a fact that the government has not been capable of formulating and getting support for a policy which would bring down the unemployment rate, and that Svend Auken is on the verge of saying that this government has no right to exist. It is a fact that the government has not been capable of pacifying the pensioners, and that the tax minister wants to cut back the interest receive' from new deposits in funds used for pensions.

Of course the party leadership could get through an annual meeting without running into serious difficulties. On the other hand, Anker Jorgensen could just as well have suddenly decided that he could not go on as prime minister. With soothing phrases and voices raised in song, the party managed to make it all look better than it really is. But how long can they go on like this? It is not the delegates at the annual meeting who cause the downfall of a government. That defeat becomes a reality in the context of everyday politics. It begins within the halls of government when the ministers have trouble agreeing with each other, and it ends in the Folketing, when the government cannot drum up a majority for the programs it wants passed. Life can be prolonged by new compromises with the small parties, and the prime minister will bend over backwards to achieve them. But every new compromise brings new conditions which dilute the party's program and which set the party back.

The Social Democrats want to be the party which has the resources to bring our society through this crisis. Anker Jorgensen is not the sort of party leader who gives up. He will try to hold on to the power he commands now long after it has left him. He hopes that the Social Democrats can hang on for this term, and in the course of the term that they will manage to pull together a new mandate so that they can come into power again. But when we can no longer hear the song out of Aalborg, lots of Social Democrats are going to be asking themselves if the party will be able to stick with everything it said it was going to do. The party, its delegates, and its voters will begin to yearn for clear opinions and the pure lines. That longing cannot be fulfilled as long as the Social Democrats are the governing party.

CDU'S KOHL, GEISSLER DIFFER ON POLITICAL STRATEGY

Hamburg DER SPIEGEL in German 7 Sep pp 28-29

[Article: "'Dead Man'--Because of Fundamental Differences Concerning the Politics of the Opposition, Helmut Kohl Wants To Put Geissler, His Secretary General, Into Neutral"]

[Text] Gerhard Weiser, minister for nutrition in the Baden-Wuerttemberg Land government said openly what CDU chief Helmut Kohl has been concealing behind cloudy utterances. "Heiner," Weiser told CDU Secretary General Geissler, "you are a political simpleton."

According to a close Kohl confidant, many a member of the Christian Democratic Executive, and above all its chairman, does not like the "missionary zeal" with which the secretary general is tackling controversial subjects in order to open up new strata of voters for the party.

Kohl and all those Christian Democrats fascinated by the sight of the crumbling SPD-FDP coalition in Bonn would like to get rid of the inconvenient Geissler just as soon as possible.

The reason for the falling out: The leader of the opposition and his general are pursuing strategies which are mutually irreconcilable. Kohl, the candidate for chancellor subject to recall, would like the CDU/CSU to look on idly as the Bonn coalition falls apart on its own--in accordance with the dictum pronounced by Franz Josef Strauss in Sonthofen in 1974: "In the overall political climate, the overall economic climate, we must not now leave our cover. Whoever leaves is shot and either wounded or killed."

Geissler, on the other hand, thinks it is a mistake to "wait every day for the coalition to fall apart."

Instead of twiddling one's thumbs and relying on a CDU/CSU pretending to be united making a good impression, the secretary general wants to "make long-term preparations for a viable government majority by discussing key problems," including, if need be, controversial problems.

This conflict between the marshal and his chief of staff became evident in early summer when Geissler had a party study entitled "Youth and the CDU/CSU" presented to the press. It stated that "at present there are no recognizable data permitting the conclusion that the trend among the young voters unfavorable for the CDU/CSU has been broken."

With this self-critical analysis, Geissler wanted to prepare the ground for an intra-CDU debate on youth politics. Kohl countered with an Allensbach poll according to which the CDU/CSU was enjoying an excellent reputation among young voters. The more disputatious the secretary general showed himself to be, inveighing one day against arms deliveries to the Saudis and criticizing another day the mass arrest of young people in Nuernberg, the more rigid became the party boss in playing "dead man" in his opposition role (to quote FRANKFURTER ALLGEMEINE)--a strategy he thinks is also to the liking of CSU chief Strauss. For, above all, Kohl has to depend on the Bavarian if he wants to remain the opposition's candidate for chancellor.

The conflict is being exacerbated by the fact that Kohl, in contrast to the time when he was minister-president in Mainz, will not tolerate any other gods beside himself in Bonn.

Thus the CDU chief chased Geissler's predecessor, Kurt Biedenkopf, into Westphalia and persuaded Walther Leisler Kiep to go to Hamburg to run for mayor.

Geissler would not be pushed out, however. He had no use for Kohl's advice to seek the office of Land chairman in North Rhine-Westphalia. At the party congress in March, he ran for reelection as secretary general for another 4 years.

Kohl's hopes to make his "dear Heiner" the chairman of the Social Committees, and thus awarding him and getting rid of him at the same time, did not materialize either. Contrary to Kohl's calculations, Norbert Bleum, the committee chairman who had been elected senator for federal affairs in Berlin, managed to hold on to the influential party post. And Geissler remained in his post as well.

The chairman is making it quite clear to his staffer how angry he is about this. As Bundestag deputy, Geissler is being kept on a short leash. The party deputies have been addressed by the secretary general only once--after his return from El Salvador.

In the Bundestag the prestigious expert on social matters has not been permitted to make a single speech. The former minister, whom Kohl at one time called from Mainz to Bonn to turn the awkward CDU/CSU into a quick, modern and mobile people's party, is among the backbenchers in parliament.

All the more intensive has been Geissler's effort at party headquarters, which Kohl has entered in the past few months only to attend sessions of the presidium or the executive. In the last Bundestag election campaign, this 200-employee organization had proved extremely effective.

When he realized that he could not get rid of Geissler for the time being, he tried to dismantle him another way--by detaching his closest coworkers.

Thus Federal Executive Manager Ulf Fink, one of the most capable and industrious persons at party headquarters, went to Berlin as senator for social affairs, and Meinhard Ade, the head of the Political Division, switched to the post of Senat spokesman in Berlin. In addition Kohl refused to extend the contract of Geissler's friend Hans Dieter Kloss as chief editor of the CDU membership paper and also tried to put a man of his choice into the job of federal executive manager.

But there Geissler had the longer leverage. According to the party statutes, only the secretary general is entitled to propose a candidate for that post. Last Monday the presidium appointed to the post of party manager not Rhineland-Palatinate Land Executive Manager Hans Terlinden, who was favored by Kohl, but Geissler's candidate, Peter Radunski, the head of the Public Relations Division in Konrad-Adenauer-Haus.

Kohl also tried in vain to wrest from his general the preparatory work for the next CDU party congress in Hamburg. He asked education expert Anton Pfeifer and Berlin Senator for School Affairs Hanna-Renate Laurien to draft a thesis for the congress limited to education policy (probably regarding Geissler's keynote subject, "The Future Prospects of the Young Generation," as too explosive.)

In accordance with the wishes of the CDU Presidium, the job, however, reverted to the secretary general last Monday. The slogan of the party congress, "With the Young--Our Party Needs a New Beginning," is entirely to Geissler's liking. He wants to invite 400 young people, including members of the peace movement denounced by the Christian Democrats, for the debate.

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CSO: 3103/437

ARVO KEMPPAINEN, CP CENTRAL COMMITTEE, CRITIQUES PARTY

Helsinki KANSAN UUTISET in Finnish 15 Aug 81 p 8

[Interview with FCP Central Committee Member Arvo Kemppainen by Maija Aalto; date and place not specified]

[Text] Indeed, the situation in the party is as bad as it seems to be. Talk about developing unity for the time being has been exaggerated. We learned to live in our niches, and coming out of them is too much of an effort.

A certain representative from Kainuu stated at the 19th Congress of the SKP [Finnish Communist Party] that if a revolution were to take place in the party, it would make such a forceful noise that any other revolution occurring in society would probably go unnoticed.

Arvo Kemppainen, 34, chief physician, MP, chairman of the SKP's Kainuu District Organization, and a member of the SKP's Central Committee since 1972, was elected to the SKP's policy-making committee [Politburo] at the last congress; a congress in which his list of achievements also included the title of rebellion chief.

"A rebellion -- that is an unsuccessful revolution," laughed Kemppainen.

In Kemppainen's opinion the party chairmanship question is not now a timely subject of discussion. An opportune situation was missed at the congress. Now the party must concentrate on making the party functional.

Begin With the Leadership

"The work of the party apparatus is at an embryonic level. The preparation of issues for the policy-making committee, for example, does not take place in the sections of the party office, but the secretaries or Politburo members bring completely unfinished matters to the meetings. Sometimes it seems that the introductory reports constitute the only preparation that has been made.

"From necessity a discussion remains at a general level. A good example is last spring's 'campaign' against an increase in housing costs. Material that was good in itself did not get to the district organizations until only 2 weeks before the campaign, which naturally did not take place. If the work of the Central Committee is unplanned, the work of the district organizations and divisions cannot be anything but indifferent.

"The SKP suffers from a serious Arrhythmia cordis, a rythmic disturbance of the heart. Work limps along since the heart beats irregularly and impulses leave the heart muscle randomly at most any point."

Division of Work to be Clarified

"It is, of course, very positive that majority or minority faction meetings are no longer being held in the party leadership. Another new trait is that the members of the secretariat are no longer actual members of decisionmaking organs, but experts who present proposals at meetings. Some have had difficulties in adjusting to this new role...

"The first task is to clarify the mutual division of work between the Central Committee, Politburo, and the Secretariat. All politically significant issues are to be decided in the Central Committee and the Politburo.

"At the next Central Committee meeting a work group will be formed for clarifying the position of the party machinery from the Central Committee to the district level.

"The majority of the members of this work group must be outside of the apparatus. This also requires experts in organizational questions and personnel policies.

"Making the organization healthy is more important than many would think. Otherwise nothing will be accomplished. The activism of the membership has declined drastically and the restrictions mentioned by Kajanoja with respect to Saab are evident.

"The SKP must also reexamine its relations with the SKDL [Finnish Peoples Democratic League], the Youth League, and other mass organizations."

The Question of the Press

"The question of the press as well as information activity, in general, require precise clarification as is stipulated by the decisions of the congress.

"TIEDONANTAJA is not a separate question. The issue must be resolved in its entirety. The duties and role of the party's chief organ, KANSAN UUTISET, as well as of the provincial papers must be defined, and the issue should also be looked at from an economic point of view. For example, the idea of tying the editorial policies of provincial papers to a national plan has not been discussed even once in the Central Committee."

KANSAN UUTISET

"At this time KANSAN UUTISET lacks spirit. Once in a while one can see a kind of 'editorial anarchy', a separation from our political nerve center, a lack of its own expression. There is seldom a discussion of new problems in KANSAN UUTISET.

"What is needed is a long-term planning of political campaigns, in which the newspaper plays a central role. The SKDL's own stamp on reports about the Diet and government policy should be more evident.

"We should consider making the weekend issues of KANSAN UUTISET a little more like a weekly journal in the same manner as the French Communist Party's HUMANITE."

Internal Communication

"Communication within our own apparatus is weak. Urgent plans should be made to improve the SKP's information section. PAIVAN POSTI is not suitable as a model for internal communication, in its present form it is useless.

"The party rank and file should have quick access to information about the Diet and the ruling factions, among other things. The editors of newspapers and all party workers should be kept abreast of the times. The arrangement of communication does not require as much time as it does an exercise of the brain.

"As far as I can understand there is in fact no need for the SKP to have its own daily newspaper. There are no issues to be looked at only from a 'Communist point of view', for which such a newspaper would be needed. To the contrary, our points of view should be broadened.

"Perhaps the party needs its own periodical. All these alternatives should be considered."

Enlightenment Should be Kindled

The situation with respect to the party's educational work causes Arvo Kemppainen to shake his head.

"The Central Committee has not discussed the issue of enlightenment and educational work at all. The organization of educational work through the Sirola Institute, the League of People's Educational Work, and People's Culture has not been given proper planning. Systematic research would be of great help. The SKP should have prescribed research vacancies. The party does not have a tenable evaluation of the current situation in Finnish capitalism. Such an evaluation is a necessity and it can only be accomplished by the SKP itself.

"International ties should be developed with the fraternal parties of Scandinavia and the French, Italian, Spanish, and Portuguese parties. They must certainly have an interest in Finland's experiences."

Students and Youth

The organizational and operational unity of the Socialist Students League and the Peoples Democratic Student Organization will soon be a reality and this is especially good.

"The 'apolitical nature' and the aversion to the parties that has prevailed in the leftwing student movement is perhaps a consequence of excessive interference on the part of the party. A student movement needs a certain relative independence, which the party must respect while maintaining ties at the same time.

"The present situation in the Finnish DEMOCRATIC Youth League is in my opinion a good example of where 'petit partyism' leads: the independence and daring of youth do not manifest themselves. The SDNL [Finnish Democratic Youth League] has indeed

accomplished commendable work in the area of international relations, but youth activity is also needed within the country."

On a Revolutionary Attitude

"A revolutionary attitude is to make issues that have become self-evident the subject of reexamination in one's own life as well as in the party and change them.

"Many alternative movements represent more of a rebellious than revolutionary attitude, they are of a short-term nature. The increase in alternative movements is also an indication of the need for parties to be more vigilant.

"One can only expect interest in the work of the party when the party has something to offer.

"Marxist research in our country is being conducted by only a very few scholars and student organizations, and the SKP's ties to them are rather loose.

"The workers' movement is too wound up in wage struggles. The veneration of money, goods, and power transcends all of society. If I recall, Aarne Saarinen once stated that many are concerned with where they will find closets large enough to hold their things...

"A direct influence through the people's democratic movement must be made possible and we must abandon the belief that a clear answer to all new questions can be found from old books. Marxist methods must be used in an analysis of new phenomena, also with respect to questions concerning real socialism.

"Questions concerning life styles should also be considered among Communists, and not just in the alternative movements. An evaluation of differing opinions is a condition for the success of collective work and a condition for advancement."

Ventilation is Needed

"There is a new kind of interest and curiosity among the people. A forceful change is expected on the part of our party.

"In the 1960's there was more openness in the people's democratic movement. The divisions of the 1970's have fed an orthodoxy that has become a heavy weight. Ventilation is needed.

"The reform of the leadership should now be reflected in all party work and the membership's demand that divisiveness be eliminated must be taken seriously. Those who support a division have the right to their own conclusions, but they should no longer be given the right to terrorize others," states Arvo Kempainen.

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CSO: 3107/129

PRIME MINISTER KOIVISTO DISCUSSES PRESIDENCY, ECONOMY

Helsinki SOSIALIDEMOKRAATTI in Finnish 14 Aug 81 pp 12-13

[Article by Ulpu Tapiola: "1983 An Important Watershed"]

[Text] Whether or not the timing is good or bad the year 1983 will see the confluence of many issues. At that time the 2-year contracts will expire and national elections will be held. The question of the government base will in practice come up. It will also probably affect the possibility of finding a new income solution. The government's economic policy must be clarified. The tax structure as well as the level of taxation must be examined. A decision must be made as to how funds are to be collected and how they are to be spent.

"I will try to take care of all this until then," states Prime Minister Koivisto.

This affirmation also means a request for a kind of labor peace. It would be best for the ruling parties to concentrate on the large questions of the near future and not, for example, become involved in the creation of next year's state budget.

"Thus the government should now avoid stumbling on small conflicts?"

"Even if the government were to stumble, it would, however, be a question of whether this government base will remain, whether the people in it will change," answers Koivisto.

Mauno Koivisto states that the discussion of the government base has been going on the whole time, but this discussion has been primarily of an academic nature. It has become a kind of side intrigue. The national elections to be held a year and a half from now will, however, change the character of this discussion.

"The question of a post-election government base will come up long before the elections. This question concerns whether we will continue with the present ruling base or whether there will be some other alternatives. It is quite possible that an income solution will not come about without the prospect of political cooperation. However, it would be good if we could smooth out the road for a new government. It would be best if an income solution were a reality," states Koivisto.

Cautiousness

Mauno Koivisto has been characterized by the following statement: "this year is difficult, but next year will be even more difficult".

This holds true now. Even though the realization of next year's budget presupposes a solution to many difficult problems, the problems with respect to the 1983 budget may be even more difficult.

Mauno Koivisto points out that in economic policy as well as in other areas we have had to work very hard for joint goals.

"The outlining of an economic policy is an impossibly problematical question. In publicly presented positions it is reiterated that we are always too late with too little. Several people who have not had to deal with these matters in practice cannot imagine how difficult they are in theory not to mention the actual decision-making," notes Koivisto.

"As for myself I have fought for relatively cautious measures even though more emphatic stands have been demanded. I have observed that rather emphatic measures can result in greater fluctuations than what would have occurred without them. Also they can easily result in side effects which were not taken into consideration at all much less intended," explains the Prime Minister.

On the basis of this kind of thinking cautiousness continues to be uppermost in spite of changes in the economic situation. Since the Koivisto government attempted to cautiously restrain a strong growth development in the last the couple years, cautiousness is now also being applied during a period of slow growth.

"If a period of slow growth turns out to be short, strong measures will result in a rapid overheating. If, on the other hand, it turns out to be long, there is a danger that all the power reserves will be used in the beginning phase of a period of slow growth and nothing will be left to be used later," states Koivisto.

The Budget

The compilation of next year's state budget has been affected by many factors. The state would need all the money collected from an increase in various tariffs. But this fact must be weighed against a background of inflationary development and an index clause. In Koivisto's opinion, borrowing, on the other hand, is about to exceed those limits in which credit can be granted under tolerable conditions.

There is also no room for movement in the use of taxation.

Koivisto states, among other things, that the disputed sales tax treatment of industrial machinery and equipment has in all its essentials continued on the basis of the spring 1979 solution.

"From this perspective it is doubtful that this government will come up with any different kinds of solutions," he states.

The budget's debit side is further affected by the inflation adjustment of the income tax tables written into the Pekkas-solution.

"We shall then see when the budget is ready for presentation to the Diet by the government as to whether it will then satisfy the organizations. The organizations

have been promoting positions which are quite traditional. Their word has been that the state's income should be reduced and expenditures increased," commented Koivisto.

On the credit side, on the other hand, expenditures and the transfer of income are prescribed by law and they continue to grow by the force of this same law. According to the Finance Minister the only point that can be given any consideration is investments.

Inflation

The fight against inflation has been named as one of the chief goals of economic policy. Recently Finland's inflation rate has been slightly higher than the average for Western industrialized countries. Even though we must be concerned about inflation, Koivisto does not see any possibilities for creating any special program.

"The predictions concerning price development differ from each other in some respects, but we are apparently quite close to releasing the conditions of the index clause. But this time the index clause is not such that it will have too great of an effect. The increases in wages will only apply to the portion exceeding the index clause and not the whole sum. We have had much more dangerous index clauses than what is now written into the agreement," states Koivisto.

Even if the government takes the index into consideration, for example, in deciding on tariffs, according to Koivisto there is very little room in the government's economy for affecting it.

"And, on the other hand, if we remember the public discussion that went on in the fall of 1979, it is quickly said that the government kept the index low artificially so that incomes would not rise," he notes.

Revaluation

Revaluation or raising the foreign value of the markka has been proposed as one way of restraining inflationary development. Such recommendations have, of course, been considered in the economic section of the Finance Ministry, and they have also been brought up before the Bank of Finland.

Prime Minister Koivisto does not, however, want to take a stand on revaluation.

"It is, in general, difficult for me to participate in any kind of a discussion on a rate-of-exchange policy for foreign currency. It is difficult to say anything that might arouse any expectations. A special reason for refraining from a discussion on revaluation is that the last discussion (in the spring of 1980) left such a bad taste," states Koivisto.

Unemployment

As far as unemployment and the management of employment are concerned, Mauno Koivisto believes that the positions presented have very little basis for a common interpretation.

According to him the first question is whether all the unemployed recorded in the statistics are, on the whole, employable.

"Apparently, the situation is that there are many who receive social support under the name of unemployment, but should be receiving support under some other program," notes Koivisto.

Another subject of discussion is at what average level of unemployment does a labor shortage appear in certain parts of the country and in certain areas of industry. At one time a 1-percent unemployment rate was considered the figure under which one could not go without overheating the economy. Now this percentage figure may be much higher. In Koivisto's opinion it is noteworthy that as the employment situation has improved during the current year a labor shortage has also appeared in certain industries and certain parts of the country.

"In my opinion society can survive the fact that everyone is offered the kind of work they are able to do. However, this cannot cause too many other expenditures. The state's own employment programs are such that those other expenditures are the prevailing ones and the expenditures incurred by the employable are only a small portion of them," notes Koivisto.

If, on the other hand, it is assumed that everyone should be employed in their own hometown in a field corresponding to the level of their education and skills, the conditions become much more difficult to fulfill.

Mauno Koivisto emphasizes that employment cannot be permanently taken care of by special programs. The best way to maintain employment is to keep the economy healthy by general measures.

It is difficult to name areas of commerce and industry through which additional jobs should be created.

"To get the supply and demand of the labor force to coincide has become an ever growing dilemma. Naturally, at the bottom of this is the fact that too few jobs are created particularly in the production of goods, in which productivity has increased considerably. Naturally, services could employ more people if there were a willingness to pay for these services. But here we arrive at the fact that there is no willingness to pay taxes and no willingness to pay for the expenditures incurred by such services," deliberates Koivisto.

In talking about the employment possibilities of the public sector Koivisto emphasizes the premise that one cannot even consider paying for permanent increases in expenditures with temporary income or borrowing.

Expenditures

Making the use of labor more beneficial than the use of machinery has been considered as one way of increasing employment. However, according to the Prime Minister, it does not seem that a shortcut to achieve this can be found.

"With respect to this there has been kind of a stone throwing contest with the

trade union movement. The trade union movement has represented the view that interest rates should be kept low. This means that the use of capital would be cheap. This makes it attractive for industry to use machinery in place of the labor force and is the most apparent trait in the production of goods," states Koivisto.

"When, for example, the pension system continually presupposes growing indirect labor costs at the same time, income solutions have the effect that the labor force as a factor in production is becoming ever more expensive," he continues.

Funds

In spite of the problems involved, Prime Minister Koivisto considers that the discussion in Finland on wage earner- or cooperative funds will open up prospects.

"In my opinion it is an issue that is need of clarification. Action in this direction will mean a certain amount of risk taking, but these concepts have a close relationship with current economic development," he states.

Mauno Koivisto mentions two premises in connection with the formulation concerning cooperative funds. The first of them is an alleviation of the estrangement prevalent in today's society. The other is the fact that industrial enterprises can develop if capital develops.

"In reality, making it possible for enterprises to accumulate capital is a matter closely connected with economic development," he states.

In Koivisto's opinion one must ask whether it is inevitable that large personal properties must be created. It frequently happens that if an active individual builds a strong, well-run firm, a significant problem arises in connection with the succession from one generation to another. In this situation the firm is frequently sold.

"Wage earner funds could be used for eliminating the obstacles to the concentration and development of capital. Workers, whose work is partially responsible for the development of this capital, would have a material interest in it," states Koivisto.

However, he considers the definition of the trade union movement's role to be one of the difficulties in the thinking pattern. For example, this aspect was not given much thought in the model proposed in Sweden. If those ideas had been realized, the trade union movement would have become the principal employer, the owner of enterprises.

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FITZGERMAN: POLICIES TOWARD EUROPE, EC, TRANSPORTATION

Brussels LE SOIR in French 16 Sep 81 p 8

[Interview with Charles Fitzgerman, Minister of State for Transportation, by Jacques Cordy and Serge de Waersegger; Brussels, 15 Sep 81]

[Text] [Question] Mr Minister, you come from a party which has been severe toward the EEC. You also belong to a government which flaunts its commitment to Europe. Whom, then, is Mr Gaston Thorn going to meet next Tuesday, the French minister or the communist minister?

[Answer] Well, I am both a communist minister and a French minister, and the two are inseparable. There is no reason to distinguish between them.

Let us consider history since you mention the subject. It is true that the PCF has been very critical and, in certain respects, still is critical of the Common Market. Nevertheless, you see, in my opinion, experience has shown to a large extent that such criticism was founded. Besides, we have not been the only ones in the country to express criticism in the past. And, in my opinion, this state of things has definitely contributed to the political change which has taken place at home.

This being said, I must add that, as it expresses its opinion on the EEC, the PCF has long recognized it to be a reality with which we must reckon. We have demanded our place in the EEC's institutions so as to be able to formulate proposals. In this spirit, as early as 1972, the PCF and the Socialist party have defined a common approach which has been written into their common program. Our differences in 1977 have not essentially involved the agreement which we had reached on our position. And, therefore, it has been easy for us to refer to it in the agreement arrived at after last June's elections, on the basis of which we have been taken into the government.

Briefly, our objective is to ensure that France participates in the construction of Europe with a will to increase its social content, to fight unemployment, to develop common policies wherever possible, in conformity with the wishes and interests of the various countries. This does not contradict in any way our commitment to France's freedom of action.

You see, I have every reason to feel perfectly at ease when I now meet with Mr. Thorn.

[Question] The European Commission with which you are going to debate, what does it mean to you? Your party, especially at the time of the Longwy question, thought it was one of the best guarantees of international capitalism.

[Answer] The European Commission is an organization which plays a very important and very clearly defined part. Bearing in mind what I just told you and the responsibilities I have assumed, I intend to establish with its president and its members all the relations which can be useful and necessary to the accomplishment of my task. Nothing is more normal or more conforms to the mandate I have been given.

Allow me to add that the French steel industry, to which you alluded, is now going to be nationalized. I think that we shall thus have given ourselves new tools to implement the new policy which most French citizens wish.

The Idea of Competition

[Question] In a word, what is Europe to you? The Europe of workers, that of free trade and free competition, that of the fatherlands?

[Answer] I shall guard myself against simplified formulas. I think that, until now, Europe has too often meant large private interests, and not often enough the workers and the people of its various countries.

Today, France aspires to play its full part in realizing a "European social space," it is pleading for a general progress in social laws, an effective effort to attack unemployment at its roots. A lot must be done within Europe to progress in this direction. This is not in contradiction with the respect that we must have for the choices made by the European nations and for the resulting diversity of their policies.

The truth is that Europe will progress only if it takes into account the present realities and the legitimate interests of all. You cannot build something durable and strong by turning your back on the needs of the countries and the aspirations of the people. Therefore, it is both desirable and realistic to envision European progress as being closely related to the conquest of new rights and improved living conditions for European workers.

A Europe of workers and nations, then? A Europe of realities? And also a democratic Europe which, in the future, will be able to play a part of its own in the international arena? Why not? Bearing in mind that we should not oversimplify.

For instance, I do not reject the idea of competition. But competition should not be blind and destructive. Besides, nobody would tolerate it.

[Question] And the EEC? Several of your colleagues and President Mitterrand himself have developed a dynamic conception of the EEC whereas, until now, the communists--especially in the European Parliament--have fought for a strict and restricted interpretation of this institution. Do you not feel caught between two fires?

[Answer] Thanks for your concern. But I must tell you that I do not share your interpretation of the communists' attitude in the European Assembly. You seem to forget that they often intervene to defend or bring to fruition some of the EEC's attainments! For instance where the agricultural policy or the harmonization of social laws are concerned. More generally, they are making constructive suggestions.

This being said, at the prompting of the president of the French Republic, our government is preparing a package of proposals aiming at a European revival. These proposals can of course have significance only insofar as they tend to increase the community's action to answer the present needs of the various countries, in agreement with their governments.

[Question] The transportation sector, your sector, Mr Minister, is also related to defense. This question occurs with increasing frequency on the European forum. In Strasbourg this week, among other matters, the European Parliament must debate the safety of oil-supply sea routes. As a communist minister belonging to a government whose positions when it comes to defense are much appreciated in Washington, how do you feel about these questions?

[Answer] It is a fact that some transportation matters which lie within my competence are related to defense. In this sector, as in the others, I shall of course, every time the necessity arises, accomplish the task corresponding to the responsibilities which have been entrusted to me.

I shall add that, as far as the EEC is concerned, discussions on such a subject can evidently take place only within the scope of the various EEC organizations.

[Question] As minister of transportation, you are one of France's representatives within the EEC. How are your relations with your colleagues whose competence also covers European questions and who, at times, have made cutting remarks concerning communist participation in the government? We are thinking of Mr Cheysson's remark about "errand-boys at home."

Slower and not as Far-Reaching

[Answer] Last week, at the Franco-British summit, I was a member of the delegation led by the president of the French Republic. On this occasion, I had with the British minister of transportation and the secretary of state for industry conversations which, for my part, I found open and positive. During these conversations, we were able to approach questions such as the future of Concord, that of the projected Airbus 320, that of a permanent connection--tunnel or bridge--between our two countries. I also accepted their invitation to return to London next 29 October to resume these conversations.

Also, yesterday I met with my West German counterpart and we discussed important questions of common interest.

I would like to add that the French government has been in place for three months, that it is operating normally, and that much work has already been accomplished.

The way you formulated your question would indicate that this situation should seem surprising. Yet, it is the result of an approach, the main elements of which I would like to recall.

My party has advocated proposals and solutions which we believed were just, i.e. able to solve the serious problems confronting our country and our people. We still believe it, we have not changed our mind.

This being said, the country has decided. Democratically, it has pronounced itself in favor of the policy advocated by François Mitterrand and the socialist party; it has chosen a road which has much in common with that which we were advocating, although it is slower and not as far-reaching as we thought it ought to be.

This democratic choice has outlined a situation which cannot be ignored. In our opinion, to respect this choice is a matter of principle: we have been saying for a long time now that, whereas our duty as communists is to do all we can to win our people to the idea of socialism, which we think is what France needs, it is the privilege of the people to determine at what rate and in what manner we should go about achieving it.

Consistent with this fundamental approach, we have decided to go ahead and take part in the implementation of the changes for which the French people have voted. In this spirit, after establishing that there was enough in common between our positions and those of the socialist party, we came to an agreement and, as a result, have been taken into the government. And, under this agreement, cooperation within the government is developing quite naturally.

The experiment we have started is new, it is taking place in a situation which, to a large extent, is new. Certainly, we are not concealing the difficulties of our task, the problems which life will naturally bring about. But, again, we are decided to do everything so as to make change a success, so as not to disappoint the hopes of the workers and the people of our country.

This is a vast undertaking, so complex that we cannot base our action on a dream, but--allow me to say that too--so new that it has given back to the French workers their right to dream of a better life...

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CGC'S JEAN MENU QUERIED ON GOVERNMENT'S PROGRAM

Paris LE MONDE in French 5 Sep 81 pp 1, 23

[Interview with Jean Menu, president of the General Confederation of Managerial Personnel [CGC], by Jean-Pierre Dumont; date and place not given]

[Text] Unemployment is continuing to increase in France. According to provisional figures supplied by Auroux, minister of Labor, the number of unsatisfied jobs wanted, in observed data, increased, in August, by 3.5 percent instead of 3.3 percent last year in the same period (+26.6 percent in one year). In data corrected by seasonal variations, the number of job-seekers (1,834,000) decreased slightly in comparison with July (-0.8 percent), but increased 25.9 percent in one year.

In order to try to limit this constant increase, the government is increasing the number of meetings with a view to preparing employment assistance measures and to ensuring UNEDIC [National Union for Employment in Industry and Commerce] unemployment insurance. The board of the equal representation system met on Thursday 3 September. It requested a meeting with the minister of Labor, because the government has postponed its decision until 9 September, it seems.

Thinking about the needed improvement of the Social Security situation is also continuing. Nicole Questiaux, minister of National Solidarity, preached prudence, on Thursday 3 September, and pleaded in favor of overall measures, calling for solidarity for reducing unemployment and inequalities. A solidarity about which the president of the CGC [General Confederation of Managerial Personnel] stated, in an interview granted to LE MONDE, "that it is not decreed, but rather is agreed to."

[Question] Before the presidential election, you stated that two-thirds of the French people were in favor of social democracy and that this had to be taken into account realistically in the economic policy to be set up. Do you believe that it is possible to achieve a French-style social democracy and what significance do you give to it?

[Answer] The experience through which we have just gone makes me believe that France is increasingly in favor of social democracy. Most of those who voted for Mitterrand and for socialist deputies voted to that effect. The lack of success by the Communist Party is additional proof. The French people expected and always expect reforms in the reformist sense from the socialists.

What frightens part of the population, including managerial personnel, is the speed with which the Socialist Party seems to want to set up revolutionary reforms dictated more by political dogmatism than by an economic and social realism.

The characteristic of a French-style social democracy is taking into account the requirement of reality and directing decisions toward an improvement of the living conditions of all the people and a reduction of unjustified inequalities.

[Question] Does the establishment of a social democracy imply nationalizations?

[Answer] Yes, it may include useful nationalizations, provided they are not decided on, because some dogmatists proposed them 10 years ago. Nationalization must be consistent with an industrial policy of the country. It may be useful for the nation to take hold of the control levers in certain industrial branches.

[Question] In your opinion, what are useful or unuseful nationalizations?

[Answer] I should not want to proceed as fast in judgments as the government. Let us say that we are not convinced of the usefulness of the nationalization of PUK [Pechiney-Ugine-Kuhlmann Company] or of Rhone-Poulenc.

On the other hand, we are absolutely in agreement concerning nationalization of the iron and steel industry, which has practically been accomplished already. We agree that there should be a large nationalized data-processing industry, because France must have its own industry and must be a leader in this field. In those sectors whose nationalization is not involved at present, we should like very much for there to be national machinetool industry, because the machinetool industry practically does not exist. When we invest, this entails recourse to imports. It would be indispensable for the state to set an example. Likewise, in the textile industry, we are not convinced that nationalization of the Boussac Group might not have benefited French industry, because there too the state should point out the course to be followed. The textile industry can be viable only if it becomes a quality industry by specializing in more unusual, more artistic products, requiring more gray matter.

The Role of Taxes

But social democracy also requires national solidarity involving every subprofessional category. Last year, in the columns of LE MONDE, I put forth the idea of a round-table on national solidarity, because we are perfectly aware of the effort that has to be made by the country to improve our situation. Now, I think that solidarity is not decreed. It is agreed to. It is useful for every social-professional category to act in concert either together or separately with the government and to accept their own share of the sacrifice. In our opinion, if we often protest against an increase in tax pressure, it is not because of a lack of spirit of solidarity. It is because we think that, unfortunately, we are the only ones participating in that

solidarity, not because of virtue, but because our income is well known. If employers, the liberal professions, businessmen, handicraftsmen, farmers were made to realize that each one must participate in the nation's effort to the extent of his actual ability to pay taxes, this would be easier than by coercive measures. Social democracy implies civic virtue. It may be said that this is an idealistic view. Unfortunately, France is the leading country in finagling and resourcefulness. We should like our country to have a keener sense of solidarity.

[Question] Should not civic virtue first of all be respected on its own? Is it not curious to read in the last issue of your periodical*: "Benefits must be maintained and Social Security assessments must not be increased," while there is a deficit? Is there not a contradiction in that?

[Answer] In our opinion, solidarity must be accomplished basically through taxation. There are some institutions that have been established for a very special purposes for solidarities different from that one. Sickness insurance provides solidarity between the sick and the well. Old age insurance creates solidarity between workers and retired persons, and so on. This horizontal solidarity should not be confused with vertical solidarity between persons with different incomes. If it is desired to confuse those two solidarities, clobbering systems are arrived at and it is no longer known what the exact amounts of solidarity transfers are.

[Question] On this point, is there not a serious conflict between the CGC and the Ministry of Solidarity, which is seeking those solidarities through Social Security? Moreover, is that ministry not applying your proposal to respect coordination by increasing consultations?

[Answer] It has consulted us as it has consulted other organizations. We have said what we think, but we are not convinced that coordination will go farther. Coordination does not consist in politely requesting the opinion of people and then in doing only what you wish to do. Once more, solidarity is not decreed. At any rate, the Social Security institutions are diverted from their objective by wanting to have them participate in a vertical distribution of income.

Social Security: First of All Control Expenditures

[Question] If you are opposed to increasing assessments, what other thing do you propose?

[Answer] We believe that there are ways for reducing imbalances and for avoiding that deficit in a control of Social Security expenditures, in a search for savings and for better management.

[Question] In view of the wide margins in development between expenditure and revenue and the large size of the deficit, is it not necessary to agree to an increase in assessments in the immediate future?

[Answer] Experience makes us skeptical on the existence of that deficit. For 2 years in a row now we have been threatened with a deficit of several billion francs

* CADRES ET MAITRISE, August-September 1981.

and then it is announced that it is in balance and we realize that we have been deceived. A 30-billion-franc deficit? It is hard to understand. At any rate, in order to compensate for that possible deficit, it is necessary, first of all, to make savings in administration, primarily in hospitals (the number of beds created is proving to be too large--the figure of 60,000 excess beds is mentioned), although some effort must be made with regard to hospital personnel, for example recruiting, at least in some hospitals. Moreover, thought must be given to the basis decided on for assessments. It is probably true that the assessments cover the deficit, but experience shows us that enterprise costs are a restraint on employment. That is why Social Security should be financed in part by other means.

[Question] What are you thinking of? Taxes?

[Answer] It should be taxes, but as long as there is no courageous taxation reform this kind of solution would consist in hitting managerial personnel still more. Other measures are possible, like a value added tax or a tax on the turnover of companies. Moreover, we are not against an extension--for unemployment insurance--to an assessment on wage earners who have job security or against calling on nonwage earners.

[Question] Is a pause in the buying power of wages necessary? Under what conditions would you agree to a smaller increase in the pay of some managerial personnel?

[Answer] Managerial personnel would agree more willingly to a slowdown in the increase in their pay, if they were certain that they are not the only ones to agree to a slowdown in their income. Because the argument is not over pay, but over income. A smaller pay increase? We are in full agreement, if that involves the income of the French people.

Workweek: A Gimmick for the Present

[Question] In connection with discussion on the workweek, do you believe that a 1-hour reduction in 1981 is sufficient? Is it possible and how is it possible to move faster toward 39 or 35 hours a week?

[Answer] The negotiations that were so difficult in July have led only to a gimmick for the time being. It is almost certain that reduction of workweek by 1 hour will not be a factor in the creation of a number of job openings. The historical and technological evolution of society implies a much greater reduction, if we want every Frenchman to have work.

[Question] How is it possible to go farther? Do you agree to work- and income-sharing?

[Answer] Reduction in work time must be a factor in the creation of jobs. If it is, it will benefit three parties: wage earners, employers who will see a decrease in their unemployment assessments and the state, which will see its tax revenue increase. The possible cost of a work time reduction must be shared by all those benefiting from it and we agree to participate in negotiations on sharing that cost. If solidarity is advocated, this reasoning must be pushed to the limit: if there is a desire to work less, it is necessary to agree to be able to be paid less. But

I said possible cost. In fact, if the utilization time of machines increases--France working more and the French people less--it is not sure that reduction in work time will give rise to an increase in costs.

[Question] Does it not seem to you that an adjustment in retirement age is a way of improving employment?

[Answer] It is necessary to be prudent. An earlier retirement age may improve employment instantaneously. That is true. But it is necessary to think of the consequence, the country's demographic evolution. The situation will be difficult in 1985: many candidates for retirement and fewer young persons. Therefore, it would be necessary to talk rather about a later retirement age. Therefore, a decision must not be made that will jeopardize future retirement systems. On the other hand, those who have had a hard career should be enabled to retire earlier. Personalized, progressive retirement must also be established, putting an end to cut-off retirement, which is traumatic owing to the abrupt, simultaneous reduction of responsibilities and standard of living. The CGC urgently proposes a study of this reform.

[Question] Measures taken or under study to promote employment to check the increasing unemployment between now and the end of 1982? You criticize the lack of an industrial policy. What proposals have you made to the government?

[Answer] There is only one way to improve the employment situation. It is to allow sufficient growth. All the other measures are only palliatives and band-aids. At present, I do not see what step has been taken by the government in this connection. Therefore, I cannot give my opinion. What I can say is that it seems essential to us to set up a national industrial policy.

[Question] What do you propose?

[Answer] Investments have to be made in new, highly technical slots that will create jobs and that are capable of rewinning the domestic market and of increasing exports. A good example is the machinetool sector.

[Question] What kind of investments?

[Answer] It is true that, with the nationalizations, the state, the sole shareholder, must invest and find funds by means of taxation and borrowing. The budgetary policy must guide the economic policy, even at the cost of a budgetary deficit.

[Question] What is your judgment on the 1982 budget deficit?

[Answer] Considerably before the socialists came into power, we said that France had a sufficiently low indebtedness to be able to allow itself to have recourse to a budget deficit, in order better to get through the difficult years that we are experiencing. We held that reasoning, just like the Economic and Social Council. Later, interest rates increased considerably. Therefore, our conclusions of yesterday have to be modified, but they still are valid. Our indebtedness is still not excessive in comparison with other countries. The 1982 budget deficit does not attract our criticism, therefore.

I wish to add that the industrial policy also assumes support action for those sectors that are traditionally in difficulty, like the textile sector, the building sector, iron and steelmaking. Remedies must be sought, in order to improve the ability of these industries to compete and to struggle against disloyal imports, without engaging in savage protectionism.

Inevitable Layoffs

[Question] Does the ability to compete mean that sometimes the number of personnel must be reduced?

[Answer] Yes. We are well aware that the iron and steel industry is going to have to proceed with a certain number of layoffs, if it wants to remain competitive. We are aware that the automobile industry must have recourse to robotics and to layoff. We are aware that the textile and clothing industries are suffering from excess manpower. But any reorganization must be preceded by a social plan. It is necessary to provide in advance for dismissals of from 2,000 to 20,000 wage earners and to adjust reconversions, facilitate training, technical and geographic mobility. That also is social democracy: giving priority to respect for the dignity of men.

[Question] Does the franc's parity seem realistic to you, especially if account is taken of the lack of competitiveness of French products in comparison with the competitiveness of German products?

[Answer] We have hesitated considerably in that area. The franc's parity is perhaps too high to ensure competitiveness of French products, but we must not proceed all alone to make readjustments. What matters most is consolidation of the European monetary system. In a world in which destabilization is the rule, Europe must be a monetary peace pole. It would probably not be useless for the Community countries to meet and proceed, perhaps, to make some monetary readjustments consistent with the real situation. There are, certainly, disparities in competitiveness between France and the FRG, but nothing lasting or effective can be done without European coordination.

[Question] You have threatened to go into action, if the CGC should not be heeded. Are you contemplating a strike? Are managerial personnel really ready to use that labor union weapon?

[Answer] It has been said that the CGC was going over to the opposition. We do not engage in politics and we have no reason for being either in the opposition or in the majority. We make judgments, as in the past, by means of our own criteria. We have a particularly strong desire to be heard. There are many meetings with the government, but we do not have the impression that coordination is really involved.

[Question] How can you make yourselves heard? By striking?

[Answer] Our National Committee will make a decision on 15 September. But, in my opinion, because the government's great decisions have not been made, I can hardly see that the CGC will issue, right now, a strike order. If I have mentioned strike, it is to specify that in case of rough handling of managerial personnel,

of threats to retirement, of a lack of firm industrial measures, the CGC will come to a decision on action, demonstrations or strikes. But you know full well that managerial personnel are too strongly aware of the need for making companies operate well to resort to excesses like a long strike by managerial personnel identical with the one took place in Sweden.

[Question] You did, however, issue a serious warning?

[Answer] Yes. Do not expect strike orders in 2 weeks! I shall see to it that the CGC will not limit itself to recriminations, but, rather, will make some constructive proposals.

10,042

CSO: 3100/966

LABOR PARTY ORGAN COMMENTS ON ELECTION DEFEAT

Oslo ARBEIDERBLADET in Norwegian 15 Sep 81 p 4

[Editorial]

[Text] The conservative wave has really swept in over Norwegian politics now. The voters have spoken in a clear voice. The voters want to give a nonsocialist government a chance. We'll find out in the next couple of weeks whether it will be a straight Conservative regime or a three-party nonsocialist coalition. Under any circumstances it will be a Conservative-dominated government with Kåre Willoch as prime minister.

The two middle parties, the Christian People's Party and the Center Party, bound their fate to the Conservatives in the election campaign. It appears to have cost them dearly. It would not surprise us if the election results led to internal party discussions, especially in the Christian People's Party, concerning where in Norwegian politics these parties really belong.

There are many possible reasons for the conservative wind in the Norwegian election. In the final analysis we believe that large groups of voters followed the philosophy that any kind of a change is good in and of itself.

We do not agree that a government change is good for the sake of change itself. The only healthy thing about it is that the voters can now in practice experience the alternative to the policies pursued before. It has been maintained that the best medicine against the conservative wave is to turn conservative forces loose on the voters for a while.

There are definitely several reasons why things went wrong for the Labor Party this time. We would like to stress that apparently a price had to be paid for 8 years of minority rule. Now that the party is going to be the opposition it will at the same time free forces and resources that should be used in the work to rebuild the Labor Party until it is once again the leading political power in Norway. It will also be a natural task to evaluate possible new divisions in Norwegian politics in the years ahead. We are convinced that the Conservative victory in this year's election coupled with the fate of the middle parties will not strengthen cohesiveness in the nonsocialist camp when a little time has gone by. Here there are solid traditions we can refer to, both in Norway and in Sweden.

The Labor Party will pursue a responsible opposition policy. As a big party the Labor Party recognizes its responsibility as an opposition party. Based on the party's program it will continue to be the task of the Labor Party to seek support for as much of the party's policy as possible. It should be the job of the Labor Party to present clear alternatives to Conservative policies. In vital policy areas it is obvious that the Conservative Party is in a small minority even in the new Storting.

Naturally the election was a disappointment to the Labor Party. But the Labor Party has by no means been swept aside. The Labor Party is not doomed to defeat following this election. In 1973 the Labor Party received 35.3 percent of the votes and still retained ruling power. When the Borten government took office in 1965 many predicted that the Labor Party was out of the government for generations to come. Four years later, in 1969, things went so far that the Labor Party made a comeback and recovered a government majority on its own. The Labor Party has previously been able to cast off its melancholy (to use Trygve Bratteli's expression) and put the party back on its feet. This will happen again. This time we regard the task as simpler than it was in 1965. In the first place, non-socialist cooperation then was carried forward by a mutual enthusiasm that is lacking today. In addition it will also be much easier now to unveil the non-socialist government construction, regardless of how it turns out. When Kare Willoch steps into the prime minister's office he will head a government that has no possibility of living up to the promises that have helped to pave the way to government office for the nonsocialist parties. Anticipations have been created that will naturally lead to a crisis of expectation. This in turn will probably create new opportunities for Carl I. Hagen and the Progressive Party. The Conservative victory in 1981 could turn out to have been a Pyrrhic victory by 1985.

Even though the election outcome was not good enough for the Labor Party there is good reason to stress that the results were much better than indicated by the prospects at the beginning of the year. The opinion polls then had the Labor Party down around 30 percent. The party leadership--not least party chairman and Prime Minister Gro Harlem Brundtland--made a wholehearted effort to give the Labor Party a respectable election result. The effort brought the party up, but not enough this time. Now there is a new and inspiring job to start working on.

6578

CSO: 3108/189

PROFESSOR ANALYZES VOTE TREND REVEALED IN ELECTION

Oslo AFTENPOSTEN in Norwegian 16 Sep 81 p 2

[Commentary by Helge Seip]

[Text] If by "fatal choice" one means that Norway after Monday's election results is headed for more rapid and more drastic changes there is little basis for such an assertion. Norway's welfare democracy is too firmly rooted for a change in the Storting majority like the one we have had to affect the foundations. This is a question of a change in attitude that could have significance in the long run and lead to some practical consequences fairly quickly in some areas. But there will be no revolution in government methods or ways of thinking.

On the other hand we might be able to talk about a political time change, if we think of the mutual balance of power within Norwegian party structure. At any rate this year's election outcome shows one of the biggest shifts in the last 50 years. Norwegian voters have long shown an amazing stability when casting their ballots. Hardly any other country can point to a period from 1945 to 1977 with shifts in percentages for socialist and nonsocialist parties lying within the limits of 47-53 percent of the electorate. In almost all Storting elections since 1936 the sum of votes for the two biggest parties has been two-thirds of the total vote (between 64 and 68 percent) while a varying number of other parties fought for the remaining third of the votes.

One of the signs of an astonishing stability is the normal level and upper limit of voter support for the communists and left-wing socialists. Normally they get a total of 5-6 percent of the vote. In special situations, such as following a world war or a divisive popular referendum they can reach 11-12 percent. And when the Socialist Election Alliance came up with the same percentage of votes in 1973 as the communists had received in 1945 (11-12 percent) the alliance won seats in all the individual districts where there had been communist seats 28 years earlier.

Perspective Over a Period of Time

It will provide some perspective over Norwegian political developments to glance at a simplified table of our Storting election results since the unification of the Norwegian Labor Party in 1927 [not included]. This perspective is interesting as a background for this year's election figures which have given us Norway's

most nonsocialist parliament since 1924. Let us add that we cannot guarantee that we will continue to have the same stability and rigidity in voter preferences in the future as we can observe in the past. Many things happen more rapidly today. It would be surprising if this did not also apply to voter reactions and adaptations to new situations.

If we look at the percentage of socialist voters, which can be of special interest now with the definitive conclusion of the epoch in which the Social Democratic Labor Party was a likely majority party, there were two earlier strong shifts since the war. In 1945, the year of liberation, 10 percent of the voters went over to socialist and communist parties. After six elections with quite marginal shifts in total vote percentages, 5 percent returned to the nonsocialist camp in 1973--after the EC conflict.

Now we have reached the third milestone. This year most of the remaining 5 percent moved in the same direction, returning us to a socialist voting percentage close to that we saw throughout most of the 1930's.

For the Conservatives then the Storting election this year was the best one in well over 50 years. Even the widely-mentioned election of 1930 with 30 percent of the votes going to the Conservatives has been surpassed. We would have to go all the way back to 1924 to find a higher percentage. The fact that the Conservative transition from 40 years of having voter support of a little under or a little over 20 percent to its new heights began with the 1977 Storting election and 24.8 percent of the votes followed by the 1979 county council election with 29.9 percent and the current Storting election results of 31.7 will certainly be discussed and analyzed by historians long after the current generation of politicians has been replaced.

The trend in a conservative direction has been reinforced by the fact that since 1973 we have had a party to the right of the Conservatives which again will have four representatives in the new Storting. This is both a practical and a tactical problem for the Conservative Party, especially in a government position.

The other important difference is that the middle spectrum parties which still had close to 30 percent of the votes at the end of the 1930's and stayed around that level until the 1973 election have now fallen to around 20 percent. They also have a party and voter division that leads to notable underrepresentation in Storting.

Reasons

What are the reasons for the big voter shifts in our country in recent years? Has the average Norwegian after generations of stability in political associations suddenly thrown all his old loyalties to the wind? Or are the new generations in revolt against aspects of a welfare state that at times is so involved with petty distributions that essential values and more basic perspectives are almost forgotten? Are we experiencing the results of the growth of prosperity and a more equitable distribution of income, a higher educational level and greater geographic and social mobility in the form of a flight from the parties

that created much of the basis for all this? How much can be attributed to the media society, the one undersecretary Gudmund Hermes has called media-distorted?

Or are we seeing the jerky changes in voter conduct that occur every time people are shaken by the deeper events of history? The third wave may have something to do with the aftereffects of the EC referendum combined with mounting uneasiness about an intensifying international situation and concern that Norwegian foreign and security policy might start slipping.

Of course we must also mention changes in party patterns and the lack of a liberal center with sufficient force or credibility. This may also be part of the explanation for the strong tide of direct transitions from the Labor Party to the Conservatives in recent years. In addition the fact that almost all western nations are currently experiencing an opposition period regardless of the political color of the government and opposition parties probably also plays a role in this.

Consequences

What will be the consequences of the recent voter shifts for our future political development, party structure, coalition patterns and lines of development? A Social Democratic majority party is a thing of the past but Social Democracy is still one of our strongest political power factors--at least as long as it steers clear of the British course. It must find its role in parliament as a party seeking a coalition.

Despite its gains the Conservative Party will not be able to rule without extensive support from the middle parties. The middle spectrum today is primarily a balancing factor between two equally conceivable government leaders and it has banked on a power shift by supporting a nonsocialist government alternative. Is it possible that at the next crossroads the middle spectrum could emerge in a way that would make it a third, more independent government alternative?

Many of the answers to these and other questions will not be forthcoming until the new government gets started and shows its profile to the Norwegian public. But in commenting on this year's Storting election results it is necessary to keep the long-term lines of development in mind.

6578

CSO: 3108/189

UNDERSECRETARY HOLST DISCUSSES 'ZONE,' POLAND

Copenhagen INFORMATION in Danish 22 Jul 81 p 2

[Article by Ole Kronmann and Flemming Ytzen]

[Text] Undersecretary Johan Jorgen Holst sees new European perspectives in developments in Poland.

If there is any Norwegian politician Americans can count on 100 percent it is undersecretary Johan Jorgen Holst.

That at least is a description from a Norwegian politician who is far from sharing Holst's views. But Holst would hardly disagree with this presentation although he might choose somewhat different words.

After a career in Norway's diplomatic-political life spanning many years Holst is taking on a post that makes him almost equal to a cabinet minister. Some people have ventured to say that he has acquired even more influence than he would have as a member of the cabinet.

He is described by some as the "architect" behind Norwegian foreign and security policies. When Norway negotiated with the United States last year on a bilateral base and reinforcement agreement Holst was the one who did the preliminary work. And as a political opponent put it: "When Holst goes to Washington to negotiate there are really Americans sitting on both sides of the negotiation table."

Prior to Norwegian Foreign Minister Knut Frydenlund's visit to Washington last week it was Holst who took care of the preliminaries and paved the way for a meeting between Haig and Frydenlund on the subject of a Nordic nuclear-free zone. A topic Haig is very unenthusiastic about. This can hardly have come as a surprise to Holst. He undoubtedly weighed things in the balance when the Norwegian government presented its conditions for going along with a formalization of a Nordic nuclear-free zone: a stipulation that the Kola peninsula would have to be included, something that was quite impossible. Or so it was believed. As we know Brezhnev's reaction was quite different from what western security policy people had anticipated.

Nuclear-Free Zone

INFORMATION had an opportunity to interview Johan Jorgen Holst and we asked him to expand on his views concerning current Nordic and European security policy. He explained the Norwegian government's position on the formation of a Nordic nuclear-free zone like this:

"For one thing such a zone must be part of a broader European context and for another it must include Soviet areas, especially the Soviet areas where there are tactical nuclear weapons aimed at Nordic countries. These conditions are important to us because at this time the Soviet Union is conducting an extensive modernization of its modern weapons. If there is to be any sense in forming such a zone it must be made part of regulating the balance of nuclear weapons in Europe and thus I feel it would involve a lower level of nuclear weapons than the present one," Holst said.

Couldn't a nuclear-free zone contribute to a continuation of the SALT process which has been put on ice by the United States? And don't the European lands have a clear interest in resuming the arms reduction process?

"It's not quite that simple. Denmark and Norway have chosen security policy sides. An independent Nordic initiative to form a zone of this type could be regarded as a camouflaged effort to break loose from the NATO cooperation. If that is the goal one wishes to achieve there are more direct ways of promoting it. One should not ignore the point that arms problems are not created by countries like Norway and Denmark."

But isn't our military buildup closely connected with the arms race spiral?

"That is the reality in which we find ourselves. And whether we are part of an alliance or not our geographic location makes us strategically important to the superpowers.

"Through our membership in NATO we help to maintain the strategic balance that can form the basis for continued negotiations on arms control. In my opinion the SALT process is not as bogged down as has been maintained. Brezhnev's recent statements show that the Soviet Union wants to see movement in the negotiations. We must regard that as a positive sign since the negotiations at the security conference in Madrid went very sluggishly due primarily to the position of the Soviet Union."

Of the current changes for starting up real negotiations on European medium-range missiles Holst said he thought the Nordic lands should avoid creating unrest that could disturb the climate of negotiations between the Soviet Union and the United States.

Hasn't the Soviet Union moved as much as can realistically be expected? Quite aside from the fact that while Moscow wants a strategic military balance the Reagan administration is aiming at superiority?

"I don't belong to those who think one can measure and evaluate the balance of forces by counting cannons, planes and missiles on both sides. On the deepest level such estimates are not decisive for the real balance of power between East and West.

"The assessment we in the NATO alliance must use as the basis for evaluating the foreign and security policies of the Soviet Union and the Warsaw Pact is which tendencies are developing. We must ask ourselves what the present tendencies will develop into in the years ahead. And one arrives at the conclusion that the Soviet Union is conducting an extensive modernization of its missile systems. This modernization is the expression of a clear tendency to which NATO must naturally react, in order to create a favorable starting point for continued negotiations on arms control."

Poland

Johan Jorgen Holst said the security policy situation in Europe is in for drastic changes as a result of the new developments in Poland.

"The situation there has developed in an incredible way with Poland changing into a pluralistic society with the power divided up among the state, the party, the church and the independent union movement. Due to Poland's location the Soviet Union cannot go along with Poland withdrawing from the Warsaw Pact but since the Polish reforms do not affect foreign policy Moscow has wisely chosen not to intervene militarily--and the Polish experiment has lasted so long now that I don't believe there will be a Soviet intervention. Thus we are now seeing a test of how much the Soviet Union will tolerate from its East European alliance. And this can give us an understanding of the aims behind Soviet policy. This understanding could be useful in other contexts. One of the reasons why it has been so hard to get arms reduction talks going is that the Soviet Union has defined its security interests in a very extreme way. The Polish development is now forcing the Soviet Union to revise its attitude toward alliance partners while at the same time this opens up new relations in European policy--relations that might lead to the reduction of the importance of the military alliances. Poland has shown it is possible to loosen the organic ties between Eastern Europe and the Soviet Union."

What do you see of European vision in this development?

"Europe will continue to be part of the superpower picture. But the development in European policy could contribute to reducing East-West tension and thus to a limitation of the influence of military alliances."

What do you mean when you say Europe in this context?

"Europe from the Atlantic Ocean to the Urals. But of course Europe's security problems cannot be solved without American involvement."

French Line

But when you talk about an independent European security policy are you advocating introducing a French line in NATO, such as Johan Galtung for one recommends?

"I am content to say that an independent European identity has developed in the area of security policy. An identity that began to be expressed after the Soviet invasion of Afghanistan when Europe behaved much more independently than ever before and we will probably play a larger role in the future than we have done in the past."

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CSO: 8113/1884-A

POLL SHOWS DROP IN LABOR PARTY POPULARITY

PM171127 London THE DAILY TELEGRAPH in English 17 Sep 81 p 2

[Gallup Poll report: "Labour Lead Down to 4 1/2 Percent"]

[Text] Labour's lead over the conservatives has fallen to 4 1/2 percent, compared with 10 1/2 percent, last month, according to the latest Gallup poll conducted exclusively for the DAILY TELEGRAPH.

The survey took place at the end of last week/s TUC and before the cabinet changes. At the same time, the public's rating of both Mrs Thatcher and Mr Foot has improved slightly, and of the three main party leaders, Mrs Thatcher is thought to make the best prime minister.

Replies to Gallup's normal voting question were:

	<u>Today</u>	<u>Aug.</u>	<u>July</u>	<u>June</u>
Cons.	32	28	30	29 1/2
Lab.	36 1/2	38 1/2	40 1/2	37 1/2
Lib.	11 1/2	13	14 1/2	18
Soc. Dem.	17 1/2	19	12	12 1/2
Other	2 1/2	1 1/2	3	2 1/2

Support for the Liberals, meeting in Llandudno this week, is now lower than any point for more than a year.

When Gallup reminded people of the existence of the Social Democrats, the following pattern of support emerged.

	<u>Today</u>	<u>Aug.</u>	<u>July</u>	<u>June</u>
Cons.	28	25	25 1/2	28
Lab.	32 1/2	33 1/2	36	33 1/2
S. Dem.	30	31 1/2	24 1/2	23
Lib.	8	9 1/2	11 1/2	14 1/2
Other	1 1/2	1/2	2 1/2	1

A similar picture emerged when the question was posed about voting behaviour if there was an electoral pact between the Liberals and the Social Democrats:

	<u>Today</u>	<u>Aug.</u>	<u>July</u>	<u>June</u>
Cons.	28	24	25	27 1/2
Lab.	31 1/2	33 1/2	33 1/2	33 1/2
Soc. Dem.				
Lib	39 1/2	41 1/2	39	37
Others	1 1/2	1	2 1/2	2

Despite being behind Labour in party support, the Conservatives are thought to have the best leaders, and equal with Labour on policies.

	<u>Today</u>	<u>Apr</u>	<u>Feb</u>	<u>Jan</u>
Best policies				
Cons	30	23	29	32
Lab	30	28	29	32
Lib	10	11	14	11
Other	8	6	2	2
Don't know	22	32	26	23

Best leaders:

Cons	32	28	33	34
Lab	25	22	25	27
Lib	14	14	16	11
Other	7	6	1	1
Don't know	22	30	25	27

The advantage the Conservatives have on leadership is confirmed by the replies to the question: "Who would make the best prime minister—Mrs Thatcher, Mr Foot or Mr Steel?"

	<u>Total</u>	<u>Cons</u>	<u>Lab</u>	<u>Lib</u>
Thatcher	31	81	6	6
Foot	26	3	63	9
Steel	29	11	19	72
Don't know	14	5	12	13

On the other hand, the public has little confidence in the ability of politicians of any of the three main parties to deal wisely with Britain's problems:

	<u>Cons</u> <u>poli</u>	<u>Lab</u> <u>poli</u>	<u>Lib</u> <u>poli</u>
Very great	5	5	2
Considerable	25	22	19
A little	19	24	27
Very little	25	22	20
None at all	23	23	20
Don't know	3	5	12

This latest survey was based on a national representative sample of 1,030 electors in more than 100 districts between Sept. 9 and 14. The "don't knows" excluded from Gallup's normal voting question amounted to 8-1/2 per cent, the lowest for some months.

Details of the standard "popularity" questions were:

"Do you approve or disapprove of the government's record to date?"

	<u>Today</u>	<u>Aug</u>	<u>July</u>	<u>June</u>
Approve	26	23	23	26
Disapprove	63	66	66	63
Don't know	11	11	11	11

"Are you satisfied or dissatisfied with Mrs Thatcher as prime minister?"

Satisfied	32	28	30	33
Dissatisfied	62	66	65	61
Don't know	6	6	5	6

"Do you think Mr Foot is or is not proving a good leader of the Labour Party?"

Is	28	23	25	28
Is not	54	57	52	48
Don't know	18	20	23	24

"Do you think Mr Steel is or is not proving a good leader of the Liberal Party?"

Is	56	61	56	61
Is not	21	18	20	18
Don't know	23	21	24	21

CS0: 3120/3



HEDGEHOG ORGANIZATION LOBBIES FOR DEFENSE CAUSE

Copenhagen INF in Danish 31 Jul 81 pp 6-7

[Article by Flemming Ytzen]

[Text] The stickers can be seen everywhere. The Danish flag and the jolly prickly hedgehog have become an everyday symbol alongside the smiling sun of the nuclear power opponents and the pink badges of the punks.

"The Hedgehog Organization" is the name on the postal payment card which tens of thousands of Danish citizens friendly to defense have used in making "Defense of Denmark," the official name of the organization, the biggest and broadest grass-roots organization in the nation. In three-quarters of a year Hedgehog has attracted so much support that all leftist-oriented grass roots must be turning dark green with envy. Since it started up last October close to 25,000 Danes have paid in half a million kroner to strengthen Danish defense determination.

Hedgehog does not conceal its political orientation. The introduction brochure said plainly: "Denmark's security depends on our membership in NATO. Other European countries have had to pay with their liberty: Bulgaria, Poland, Romania, Czechoslovakia, Hungary and East Germany. Efforts to achieve national independence and free elections have been crushed by military power."

And further: "We can do nothing alone. Only with strong and reliable allies, as a trustworthy member of NATO, can we insure peace and freedom at the gateway to the Baltic." And of the government's so-called zero solution for defense: "The zero solution has created strong doubts among our allies concerning our defense determination. They are now using the word 'Denmarkization' of the country that wants to benefit without putting out. A new expression for lack of solidarity."

Three Hundred Local Groups

The brochure leaves no doubt about which groups gave life to the hedgehog:

The Danish Naval Society, the National Council of Danish Army Societies, the Danish Brothers of Defense, the Air Force Society, Veterans of the Fight for Liberation and the Danish Reserve Officers' Society.

But the greater part of those who have paid money to the Hedgehog postal payment account (with an address in Vedbaek) are civilians. And 25,000 is quite a respectable number, a striking expression of the breadth of Danish defense determination. For purposes of comparison it can be noted that Denmark can mobilize 54,000 armed men the day Russian invasion forces overrun the beaches of Sjaelland. With its 300 local groups all over the country Hedgehog can supply the Danish defense effort with a not insignificant moral reserve.

"Defense of Denmark" has a historic predecessor, namely the Atlantic Alliance which was formed during the Cold War of the 1950's and had an almost identical purpose. The Atlantic Alliance also used a hedgehog as its mascot.

It would be wrong to call Defense of Denmark a predominately right-wing organization. "The people who support us extend in political orientation from the Social Democrats all the way along the nonsocialist spectrum," said one of those who initiated the movement, hardware director and reserve officer Ivan Hermansen. He does not conceal the fact that the movement is organized along the lines of the leftist grass-roots movements, i.e. a very loose structure with emphasis placed on noncentralized activity and thus lacking the traditional form of leadership with a presidium or board of directors.

"From our central office we supply local groups with brochures, stickers and other information material--but otherwise all activities are left up to local initiative," Ivan Hermansen said.

Roots in Resistance Movement

The idea of forming a grass-roots organization friendly to the armed forces and NATO originated in the summer of 1980 under the inspiration from developments in the political defense talks. "A few of us found it necessary to convey information that would offset the campaign that was being pursued by the left wing's peace people. Naturally we want peace as desperately as the left wing does, but what we want to come to grips with is the idea that one can guarantee peace at any price and through unilateral disarmament." In addition to Hermansen those taking the initiative in starting Defense of Denmark were another reserve officer, Claus Valentiner and Fredericia chief physician Jorgen Rojel who regularly comes to the defense of the armed forces and NATO in the columns of JYLLANDS-POSTEN, often in polemical exchanges with Radical members of Folketing. Other Hedgehog supporters came out of the resistance movement, among them a group called "The 16th" which was affiliated with the Holger Danske group.

The founders are surprised themselves at the massive support for Hedgehog. "We have tapped the great silent majority who by paying in 20 kroner to our account indicate their intention to support the cause of defense. For this contribution they receive some of our stickers. As will appear from our payment lists almost all contributions are somewhere around 20 kroner. So there is no question of our having rich sponsors. Of course there are some big contributors. The biggest contribution came in recently when the Hafnia Hand in Hand fund granted us 25,000 kroner."

Sonja from Sunds

Hermansen emphasized that the most important difference between Defense of Denmark and earlier defense-friendly organizations is not just its different structure. "The difference is that we approach things from a marketing point of view. And here we profit from the business experiences I and others have had."

The largest single activity Defense of Denmark has undertaken was the publication of a campaign newspaper in the spring, a professionally designed publication with a printing of 300,000 copies, with former CD [Center Democrat] politician Borge Mannov as responsible editor.

The front-page article in the campaign paper is an interview with the deputy director of the International Institute for Strategic Studies (IISS) in London, Gregory Treverton. Under the headline, "Denmark Defensible with Conventional Weapons," Treverton explains that NATO assigns Denmark especially vital strategic importance, first and foremost because of our location. Inside the paper details are given of the activities Warsaw Pact lands are conducting in and around the Baltic.

As an example of Hedgehog's folksiness the paper interviewed Sonja Christiansen from Sunds. She is a textile worker, chairperson for the Social Democratic Voters' Association, active in the women's army auxiliary and is also on the board of directors for a parish nursery school--in addition to taking care of her family. The paper describes her like this:

"Sonja from Sunds is becoming well-known in central Jutland. Many know her last name, Christiansen, but most people call her by her first name. Today she has thrown herself heart and soul into the defense debate. She attends debate meetings, writes letters to editors. In brief she uses every occasion to explain why she thinks Denmark should have a defense that is unweakened in any way." And Sonja herself explains her involvement in the defense issue like this: 'It has something to do with the fact that I am ready to go into action for an issue I believe in. Even if it costs something.' Sonja believes that even though the Danish defense system seems inferior on paper it could make enough of a contribution to allow help to arrive in time. She says: 'It has a lot to do with the fact that the Danish soldier is an independent person you can count on in a defense situation in his own country. I doubt the same thing is true in the Warsaw Pact countries when it comes to fighting spirit and independent effort. We can see how little it takes before there is disorder in the ranks.'"

Anker's Zero Solution

The people behind Defense of Denmark often emphasize the importance of the movement's retaining its apolitical character: "We must stretch over a very broad political spectrum," says Ivan Hermansen.

How was it that the movement was the only organization that set up a booth at the Conservative Party's national congress last year?

"I didn't know about that. I was at an officers' course in Koge and some Conservatives called me up and asked if they could get some Hedgehog material from my private residence. I said they were welcome to it--but I had no idea it would be used to make a display at the Conservative congress! But let me add that the political parties that have used us the most have been the Liberals and the Center Democrats. They have sent the material out through their voter associations. The Progressive Party has done something similar to a certain extent."

But wouldn't they most like to get a foothold in the Social Democratic Party?

"Heavens, yes. No one can pursue policy in this country without the backing of the Social Democrats. We are already in touch with many Social Democrats--those who oppose Anker Jorgensen's zero solution but lack a place to stand without wishing to leave the party and join another one."

9 April Syndrome

Aren't they playing a lot on the psychological phenomenon some people call the 9 April syndrome, in other words the fear of another occupation?

"Well you might say we are trying to counteract the 'what-difference-does-it-make' attitude that was widespread in Denmark prior to the German occupation. And Denmark would have looked different today if we had had a defense in 1939-40 that was capable of fighting an invading enemy. It would have meant our being given a status that was immediately given to Norway. We did not achieve that status until later thanks to the efforts of our resistance movement."

The security policy and military situations have changed quite a bit since 9 April 1940 and many find it absurd to talk about a new occupation of Denmark in the context of a modern war against such things as the use of nuclear weapons.

"The only thing I can say to that is that Denmark is no longer alone and that our alliance membership in itself is a protection against military threats. Personally I believe that if there is another war it will be fought with conventional weapons."

Many people don't share that opinion, however.

"Yes, because right now a campaign is being waged around the threat of nuclear weapons. I base my opinion on the fact that the side that starts using nuclear weapons immediately allows the other side to play by the same rules. The consequences are impossible to imagine. Many wars have been fought in which a tactical nuclear weapon could have been used--take Korea or Vietnam, for example--but this did not happen! Gas was not used in World War II even though there was plenty of it. Nuclear weapons are there to deter the other side from using them."

But NATO abandoned the deterrence doctrine long ago and is now producing nuclear weapons that can be used in limited rather than all-out wars. That doesn't seem compatible with your remarks.

"It would be crazy not to prepare for the chance of such a war on paper, but in modern warfare a great many things have been prepared for which were never used. I do not want a conflict to arise at any time. All I want is to preserve peace and my freedom. And since I have seen how life is on the other side of the Iron Curtain I realize that is not what I would like to have happen in Denmark."

Invasion

Does this mean that the most urgent security threat to Denmark is a regular Soviet occupation of Denmark, conducted with conventional weapons?

"Yes, the weaker our defense is the more exposed we are to such an occupation. We don't believe now that an invasion is right around the corner. It won't be as long as Denmark can muster a reasonable military force. And as long as the two military treaties are fairly well-balanced the risk of war is minimal for no one will be tempted to take new steps. Personally I don't believe the Soviet Union is preparing for a war--but I do believe that in the right circumstances the Soviets will take what they can get their hands on. Due to Afghanistan and Poland which have given them many problems they probably wouldn't dare take new steps right away. Incidentally I think what is happening in Poland is wonderful. And it would be great if the Poles got their freedom. But it would be catastrophic if it came to a Soviet invasion for then Soviet military forces would be even closer to Western Europe."

What is implied by the word "Denmarkization"?

"That we make ourselves so weak that we become unable to act freely under pressure. It means that when the threat breaks over one, one chooses to lay down one's arms--thus paving the way for a new political pattern. This doesn't mean we would have a revolution in open combat, but it could happen if the usual 3-4 percent of the people who are communists take over the ministries and then sit on the rest of Denmark. And that would be the end of having more than one political party in Denmark."

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PAPER EXPRESSES CONCERN OVER SOVIET THREAT IN BALTIC

Oslo AFTENPOSTEN in Norwegian 4 Sep 81 p 2

[Editorial: "A Somber Exercise"]

[Text] The extensive Soviet military exercises, to begin today and to be concluded 12 September, in areas close to the Polish border, have a particularly somber feature: Despite the fact that those in power in the Kremlin are faced by an autumn of crisis, the third in a row, additional troops have been called up at just the time when it is most common--and most required--that they be put to use in the grain fields. Alarm bells should not be rung unnecessarily, but this is just what happened in the late summer of 1968. And though the Soviet Union was not at the time obliged to inform surrounding states of such activity, the intelligence apparatus of the Western countries was good enough to enable its experts to survey the situation and connect it with developments in Czechoslovakia.

The maneuvers are to be supervised by Defense Minister Dmitriy Ustinov personally, and will take place paralleling the first national congress to be arranged by Solidarity, the trade union organization. Consequently the exercises are a new form of pressure upon Polish public opinion, the populace, and the leadership of the Communist party, the church, and the trade union. It is also a clear and very grave form of interference in what is ideally the affairs of the Poles alone.

It does not make the situation brighter that the Soviet press prepares for the Solidarity congress with new attacks upon the trade union organization, now stamped as opposed to the socialist system. One might perhaps speak in somewhat ironic terms about the obvious antisocialist, even counterrevolutionary character of an organization that wishes to give the workers greater influence at the cost of the privileged holders of power, but the times and the situation do not invite jocular cleverness.

The best that can be hoped for at this juncture is that the Soviet forces are to be effective by their presence and not be put to further use. In that case they are "only" to cover the backs of the Polish party leaders in the event they follow repeated, urgent appeals by Moscow and show willingness to demonstrate the leadership called for. The problem is that there is no lack of will, neither to leadership nor to power. What is lacking is ability, after so many years of misrule, with a corruption, which the Poles can now see in the leaders' luxurious

villas outside Warsaw, and after so many years of propaganda, when they were always told that things would be better, while the people saw and felt that they were getting worse.

A few days ago an older man was quoted in a Western newspaper: "During the period between the wars the food markets were full. They are not full now. That is all I will say." The food markets are not full in the Soviet Union either. But those who could have helped fill them are not in the fields to help the minister of agriculture; they are sent to camps to help Defense Minister Ustinov and the other members of the Politburo.

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CSO: 3108/183

PAPER URGES INCREASED DEFENSE OUTLAYS

Oslo AFTENPOSTEN in Norwegian 5 Sep 81 p 2

[Editorial: "Defense and Money"]

[Text] The 1981 defense budget will be inadequate as a result of increasing prices. Defense Chief Sverre Hamre recently asserted that defense will need an additional appropriation of 225-250 million kroner to be able to maintain its activity at the present level through the rest of this year.

This laconic warning is too serious and its implications too far-reaching for it to be "drowned" during the last stage of the Storting election campaign. We therefore assume that the government in power is fully aware of the situation and will take the steps needed: In the first place to prepare proposals for the necessary additional funds, and in the second place to take this year's price increases into consideration in the final preparations for the 1982 budget. Both will be needed, regardless of the election's outcome.

For the same reason it should also be stressed that we cannot afford to have our relative defense capability further weakened. This has already happened as a result of technological developments in weaponry, the buildup of Soviet strength in the Kola area, and the expansion of the Soviet northern fleet based there. In addition, however, the weakening was worsened by our own dispositions, or rather neglect, because among other things, for several years the undermining of defense budgets by price and cost increases was not compensated. Not until the present Storting session has the nonsocialist opposition been able to make the Labor Party realize that things will go wrong without such compensation.

The Conservative Party, the Christian People's Party, and the Center party stand by the Defense Commission's proposal for a real growth of 4 percent in the budgets for the 5-year period beginning this year. The government and the Labor Party have been willing to go no further than a 3 percent annual growth. For the entire period the difference will amount to over 1200 million kroner.

If our own defense efforts have thus shown and still show a serious lack of wholeheartedness as concerns operation and development of our defenses, the reinforcement situation is the most troublesome. We are not where we should be as concerns defense of harbors and airfields, though this--to a special degree as concerns airfields, of course--is essential for us to be able to receive allied help in a

crisis or war situation. And as is known, this is help upon which we are completely dependent if we are to hope to be able to defend our territory and our freedom.

The finances of our defense forces must be kept in order, both as concerns operations and investments. The three largest nonsocialist parties--led by the Conservatives--are determined to live up to this requirement. In the joint declaration of last spring they declared, among other things: "The relative ability of our country to defend itself will be maintained in coming years by defense being given the necessary financial means." In other words, it is not to be a matter of money, though appropriations will of course be used with caution and reason. Upon this assurance the voters can depend, fully and firmly.

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